LIBRARY
SUPREME COURT, U. S.

VOLUME 1

TRANSCRIPT OF RECORD

Supreme Court of the United States

OCTOBER TERM, 1966

No. 8

CHICAGO AND NORTH WESTERN RAILWAY COMPANY, ET AL., APPELLANTS,

vs.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, ET AL.

No. 23

UNITED STATES, ET AL., APPELLANTS,

vs.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY CO., ET AL.

APPEALS FROM THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

NO. 8—FILED MAY 20, 1965
NO. 23—FILED SEPTEMBER 15, 1965
PROBABLE JURISDICTION NOTED APRIL 4, 1966

SUPREME COURT OF THE UNITED STATES

OCTOBER TERM, 1966

No. 8

CHICAGO AND NORTH WESTERN RAILWAY COMPANY, ET AL., APPELLANTS,

vs.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY COMPANY, ET AL.

No. 23

UNITED STATES, ET AL., APPELLANTS,

vs.

THE ATCHISON, TOPEKA AND SANTA FE RAILWAY CO., ET AL.

APPEALS FROM THE UNITED STATES DISTRICT COURT FOR THE SOUTHERN DISTRICT OF CALIFORNIA

INDEX

VOLUME 1

	Original	Print
Proceedings before the Interstate Commerce Commission		
Complaint in No. 31503 Sub No. 1, *The Ahnapee and Western Railway Company, et al.* v. *Abilene & Southern Railway Company, et al.*, filed June 3, 1954	1	1
Appendix A—List of Complainants	5	5
Appendix B—List of Defendants	9	8

RECORD PRESS, PRINTERS, NEW YORK, N. Y., DECEMBER 5, 1966

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
Complaint in No. 31503 Sub. No. 1, *The Ahnapee and Western Railway Company, et al.* v. *Abilene & Southern Railway Company, et al.*, filed June 3, 1954—Continued		
Appendix C—Eastern Territory	17	17
Appendix D—Midwestern Territory	18	18
Appendix E—Transcontinental Territory	19	19
Petition for leave to file amendment to complaint and Amendment to complaint, filed August 26, 1954	20	20
Order amending complaint, dated August 30, 1954	23	24
Answer and cross-complaint filed October 4, 1954	24	25
Appendix—List of Defendants and Cross-Complainants	28	27
Answer of complainants to cross-complaint of certain defendants filed October 26, 1954	30	29
Complaint in No. 31503 Sub No. 3, *Chicago, Milwaukee, St. Paul and Pacific Railroad Company* v. *Abilene & Southern Railway Company, et al.*, filed December 9, 1954	31	31
Appendix A—List of Defendants	35	34
Appendix B—Complaint in No. 31503 Sub No. 1 (copy) (omitted in printing)	47	46
Appendix C—Eastern Territory (copy) (omitted in printing)	51	46
Appendix D—Midwestern Territory (copy) (omitted in printing)	52	46
Appendix E—Transcontinental Territory (copy) (omitted in printing)	53	46
Transcript of hearings, October 4, 1955–December 11, 1959 in Docket No. 31503 and Sub Nos. (excerpts)	54	47
Testimony of L. E. Butler—		
cross	56	48
H. A. Mintz—		
direct	65	52
cross	69	52
redirect	104	72

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
Transcript of hearings, October 4, 1955–December 11, 1959 in Docket No. 31503 and Sub Nos. (excerpts)—Continued		
Testimony of H. J. Bearss—		
direct	108	74
D. A. Baumgartener—		
direct	110	74
cross	111	74
Gilbert J. Parr—		
direct	115a	75
A. J. Stilling—		
direct	117	76
H. J. Bearss— (recalled)—		
cross	122	77
Robert R. Clark—		
direct	128	78
cross	129	79
H. A. Mintz—		
direct	145	87
cross	148	88
John K. Langum— (resumed)—		
cross	162	94
Colloquy between the Examiner and counsel re offer of working papers	194	113
EXHIBITS:		
MW-73, Witness Mintz—Statement showing present general percents between various cities Via routes through primary division gateways (excerpts)	222	127
MW-139, Witness Mintz—Additional testimony of H. A. Mintz (excerpts)	225	131
MW-140, Witness Mintz—Proposal of Midwestern Group of Carriers with Respect to Divisions of Transcontinental Rates Involved in Docket No. 31503, Sub No. 1 (excerpts)	227	132
T-141, Counsel Curry—Rates of Progression in No. 29886 Integer Scales	229	133

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
EXHIBITS—Continued		
T-142, Counsel Curry—Pittsburgh–Los Angeles via Chicago, Council Bluffs and Pittsburgh–Los Angeles via Chicago, Council Bluffs, Denver Through Ogden	230	134
MW-150, Witness Carpenter—Comparison of Terminal and Line-Haul Costs Incurred by The Three Divisions Groups in Handling Transcontinental Traffic, Year 1953	231	135
MW-151, Witness Carpenter—Full Costs in Cents per Hundredweight Incurred by the Three Divisions Groups in Handling Transcontinental Traffic, Year 1953	232	136
T-238, Witness Bearss—Rates of return on average net investment—Certain Groups of Class I Railways, 1947 Through 1953 (excerpts)	233	137
T-275, Witness Bearss—Transcontinental Divisions Cases—Funds Available and Funds Required, Transportation Operations (excerpts)	235	140
T-294, Witness Brown—Transcontinental Divisions Cases—Testimony of V. P. Brown (excerpts)	240	146
T-296, Witness Brown—The Transcontinental Movement: The Nature of the Traffic and the Depressed Character of the Rates (excerpts)	244	148
T-299, Witness Parr—Construction of Divisional Integer Scales (excerpts) and Appendices A and B	289	188
T-301, Witness Parr—Straight Line Progression of Average Through Train Line Haul Costs with Distance and Appendices A, B, and C	325	221

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
EXHIBITS—Continued		
T-302, Witness Stilling—Divisional Integer Scales Based on Rate Scales, as Applied to Transcontinental Hauls and Appendices A–G	346	238
T-304, Witness Stilling—Application of 15% Minimum in Conjunction with Integer Scales	389	276
T-314, Witness Edwards—Transcontinental Divisions—Comparative Costs and Revenue Needs Mountain-Pacific Lines (excerpts)	406	289
I-381, Witness Clark—Statement on behalf of Howard Morgan, Public Utility Commissioner of Oregon as well as Other Petitioning Intervenor Commissions	413	295
I-382, Witness Clark—Section 1—Rates of Return United States and Mountain Pacific Roads	423	303
Section 2—Comparison and Analysis of Tonnage Originated in Mountain Pacific Territory	428	308
Section 3—Effect of Cumulative Percentage Increases in Freight Rates	441	321
Section 4—Statement showing rail docket proposals for reductions to meet motor competition	445	326
Section 5—Extracts from I.C.C. Decisions	460	349
I-383, Witness Dench—Statement on behalf of Howard Morgan, Public Utility Commissioner of Oregon as well as Other Petitioning Intervenor Commissions	462	350
I-384, Witness Dench—Section 1—Analysis of Freight Rate Increases Authorized since June 30, 1946	490	368
Section 2—Effect of Cumulative Percentage Increases in Altering Rate Relationships	514	393
Section 3—Analysis of Traffic Movements between 1947 and 1955	518	398

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
EXHIBITS—Continued		
I-384, Witness Dench—Section 1—Analysis of Freight Rate Increases Authorized since June 30, 1946—Continued		
Section 4—Changes in Average Freight Rates and Revenues between 1946 and 1955	536	416
Section 5—Carloadings and Tons Originated in Oregon, 1946-1955	556	436
I-385, Witness Haakenson—Statement on behalf of Howard Morgan, Public Utility Commissioner of Oregon, Intervenor, as well as other Petitioning Intervenor Commissions	562	442
I-386, Witness Haakenson—Schedule 1—Box Car Shortage for Lumber and Lumber Products, Portland Division, Southern Pacific Company, Years 1950-1956	571	448
Schedule 2—Comparison of Daily Average Box Car Shortage—Principal Mountain Pacific Carriers with Total United States, for Shortage Periods 1950 and 1955	573	450
Schedule 3—Comparison of Numbers of Freight Cars Loaded on Principal Mountain Pacific Roads, with Total Cars Loaded on All United States Class I Carriers for Years 1950 through 1955	575	452
Schedule 4—Car Ownership, Numbers on Line, and Percentages of Ownership on Line During 1955 Shortage Season for Principal Mountain Pacific Rail Carriers	576	453
Schedule 5—Carloads of Revenue Freight Handled Per Mile of Switching Track Operated in Oregon by Principal Carriers Serving Oregon, and Total United States Carloads Handled Per Mile of Switching Track Operated	579	456
Schedule 6—Total Freight Cars Handled and Total Yard Trackage—Southern Pacific Company's Brooklyn and Roseburg Train Yards for the Years 1940 and 1956	580	457

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
EXHIBITS—Continued		
T-387, Witness Bearss—Appendix G, which embraces explanatory page and Witness A. J. Stilling's Exhibit T-335, Appendix C, Revised (excerpts)	581	458
Appendix H—Mountain Pacific Group Railroads—Increase in Investment in Property used in Transportation Service, Years 1951 through 1955	585	463
MW-425, Witness Wilson—Additional testimony of John F. Wilson (excerpts)	586	464
MW-434, Witness Wilson—Traffic Study Covering Carload Traffic, etc.	589	466
VOLUME 2		
MW-439, Witness Mintz—Additional testimony of H. A. Mintz (excerpts)	596	473
E-487, Witness Butler—Testimony of L. E. Butler witness for Eastern Railroads in answer to, etc. (excerpts)	601	475
MW-608, Witness Langum—Testimony of John K. Langum (excerpts)	609	482
MW-609, Witness Langum—Additional Testimony of John K. Langum (excerpts)	660	522
T-632, Witness Edwards—Statement of Ford K. Edwards in Response to Criticisms of Mountain-Pacific Lines' Cost Study, Made by Eastern and Midwestern Lines, Together with Results of the Cost Study Corrected and Revised in Light of Those Criticisms (excerpts)	702	556
T-648, Witness Stilling—Divisional Integer Scales Presented in Answer to Witness L. E. Butler (excerpts)	709	564
T-652, Witness Bearss—Rate of Return Comparisons in Response to Exhibits MW-608 and MW-609, Witness John K. Langum (excerpts)	721	573

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
EXHIBITS—Continued		
T-653, Witness Bearss—Rates of Return, Weighted by Relative Participation in Transcontinental Traffic in Response to Exhibit E-501, Witness J. L. Heywood and Exhibits MW-608 and MW-609, Witness John K. Langum (excerpts)	723	576
T-659, Witness Bearss—Funds Available and Funds Required in Response to Exhibit MW-609, Witness John K. Langum; Exhibit E-396, Witness Arthur Jansen and Exhibit E-409, Witness Frank F. Coates (excerpts)	731	582
E-700, Witness Heywood—Rail Costs (excerpts)	756	605
MW-737, Witness Langum—Additional testimony of John K. Langum (excerpts)	759	609
MW-738, Witness Langum—Additional testimony of John K. Langum (excerpts)	763	612
MW-773 (Revised), Witness Carpenter—Cost Scales on Various Bases (excerpts)	786	631
MW-828, Witness Carpenter—Separation of Line-Haul Costs Shown on Page 8 Appendix B, Exhibit No. MW-773, Between Way Trains and Through Trains, as Requested by Mr. Eshelman at Transcript Page No. 10796 (excerpts)	796	642
Brief of Mountain-Pacific Railroads filed June 13, 1960		
B. The Docket 29886 and Docket 28277 Divisional Integer Scales, Based on Rate Scales, Would Produce Grossly Unfair and Confiscatory Divisions for the Long Haul Carriers of Transcontinental Traffic (excerpts)	798	644
Appendix to Brief of Mountain-Pacific Lines and Requested Findings filed June 13, 1960 (excerpts)	820	673

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
Recommended Report and Order by Howard Hosmer and Oren G. Barber Hearing Examiners with Appendices A, B and C served December 6, 1960	838	692
Exceptions of Mountain-Pacific Railroads to Recommended Report bearing due date of April 5, 1961 (excerpts)	909	793
Exceptions of The People of the State of California and The Public Utilities Commission of Said State to Recommended Report bearing due date of April 5, 1961 (excerpts)	954	841
Exceptions of Intervenors, P.U.C. of Colorado, et al., to recommended report of Examiners Howard Hosmer and Oren G. Barber, dated March 31, 1961 (excerpts)	973	856
VOLUME 3		
Exceptions of Intervenors, P.U.C. of Colorado, et al., to recommended report of Examiners Howard Hosmer and Oren G. Barber, dated March 31, 1961 (excerpts)—Continued	995	874
Reply of Midwestern Complainants to Exceptions of Opposing Parties, Volume I bearing due date of May 29, 1961 (excerpts)	998	878
Reply of Mountain-Pacific Railroads to Exceptions of Official Lines and Midwestern Lines (Including T & P) bearing due date of May 29, 1961 (excerpts)	1002	880
Petition for reconsideration of the Mountain-Pacific Carriers bearing due date of July 26, 1963 (excerpts)	1006	884
Petition for reconsideration and modification of report and order of The People of the State of California and the Public Utilities Commission bearing due date of July 26, 1963	1044	926

	Original	Print
Proceedings before the Interstate Commerce Commission—Continued		
Petition of intervenors Arizona Corporation Commission, et al. for reconsideration of the Commission's order, etc., bearing due date of July 26, 1963 (excerpts)	1081	955
Report of the Commission, Herring, Commissioner, decided March 21, 1963	1109	979
Concurring in part, Bush, Commissioner	1170	1040
Dissenting in part, Hutchinson, Commissioner	1171	1041
Dissenting, Freas, Commissioner	1171	1041
Dissenting, Goff, Commissioner	1173	1043
Order of the Commission, dated March 21, 1963	1180	1050
Order of the Commission, dated June 20, 1963	1182	1053
Supplemental report of the Commission, Herring, Commissioner, decided December 31, 1963 with Appendices B-1, C-1 and D	1184	1056
Dissenting in part, Hutchinson, Commissioner	1231	1094
Dissenting, Freas, Commissioner	1231	1094
Order of the Commission, dated December 31, 1963	1245	1108
Notice to the parties, dated February 4, 1964	1248	1112
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC	1250	1115
Complaint of The Atchison, Topeka and Santa Fe Railway Company, et al. to enjoin, set aside, annul and suspend order of the Interstate Commerce Commission	1250	1115
Application for interlocutory injunction and temporary restraining order	1267	1127
Complaint of St. Louis–San Francisco Railway Company, intervening plaintiff, to enjoin, set aside, annul and suspend order of the Interstate Commerce Commission	1273	1131
Motion of St. Louis–San Francisco Railway Company for leave to intervene and order allowing	1280	1136

	Original	Print
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC—Continued		
Motion of St. Louis–San Francisco Railway Company, intervening plaintiff, for a temporary restraining order	1282	1138
Affidavit of Stanley F. Stecher	1284	1139
Temporary restraining order and order fixing bond sum of $50,000	1287	1141
Order setting time for hearing motion for interlocutory injunction, filing of affidavits and appearances	1290	1142
Order permitting intervention of Arizona Corporation Commission	1292	1144
Complaint in intervention of Arizona Corporation Commission, et al.	1295	1145
Order granting motion of Chicago and North Western Railway Company, et al. for leave to intervene as defendants	1302	1151
Answer of intervening defendants, Chicago and North Western Railway Company, et al. to complaint of St. Louis–San Francisco Railway Company, intervening plaintiff	1304	1152
Answer of intervening defendants, Chicago and North Western Railway Company, et al. to complaint of plaintiffs	1309	1155
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to complaint of plaintiffs	1314	1158
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to complaint of intervening plaintiffs Arizona Corporation Commission, et al.	1316	1160
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to complaint of intervening plaintiff, St. Louis–San Francisco Railway Company	1318	1161
Order granting motion of Chicago, Milwaukee, St. Paul and Pacific Railroad Company for leave to intervene as defendant	1320	1163

	Original	Print
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC—Continued		
Intervening complaint of The People of The State of California, and the Public Utilities Commission of California, to enjoin, set aside, annul and suspend order of the Interstate Commerce Commission	1322	1164
Order granting motion of Amador Central Railroad Company, et al. to intervene as plaintiffs	1333	1170
Complaint in intervention of Amador Central Railroad Company, et al.	1335	1171
Order granting motion of the People of the State of California and the Public Utilities Commission of California to intervene as plaintiffs	1342	1173
Answer of intervening defendants, Chicago and North Western Railway Company, et al., to intervening complaint of The People of The State of California, et al.	1344	1174
Answer of intervening defendants, Chicago and North Western Railway Company, et al. to complaint in intervention of Amador Central Railroad Company, et al.	1350	1177
Answer of intervening defendants, Chicago and North Western Railway Company, et al. to complaint in intervention of Arizona Corporation Commission, et al.	1356	1179
Order submitting plaintiff's application for interlocutory injunction and continuing in effect temporary restraining order	1362	1181
Undertaking on interlocutory injunction	1364	1183
Findings of fact and conclusions of law	1366	1185
Judgment for interlocutory injunction	1381	1196
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to complaint in intervention of Amador Central Railroad Company, et al.	1386	1201

	Original	Print
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC—Continued		
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to intervening complaint of the People of the State of California, et al.	1390	1202
Notice of entry of judgment for interlocutory injunction	1395	1205
Attachment—Judgment for interlocutory injunction (copy) (omitted in printing)	1397	1206
Defendants' answer to complaint in intervention of Arizona Corporation Commission, et al.	1406	1206
Defendants' answer to complaint in intervention of Amador Central Railroad Company, et al.	1409	1208
Joint answer of the United States of America and Interstate Commerce Commission	1411	1210
Defendants' answer to complaint in intervention of St. Louis–San Francisco Railway Company	1416	1214
Defendants' answer to complaint in intervention of the People of The State of California, et al.	1419	1216
Amended complaint of St. Louis–San Francisco Railway Company to enjoin, set aside, annul and suspend order of the Interstate Commerce Commission	1422	1219
Exhibit A—Petition of Missouri–Kansas–Texas Railroad Company, and St. Louis–San Francisco Railway Company for modification and reconsideration of findings, report and order of March 21, 1963, as amended	1430	1227
Supplemental complaint of plaintiffs and of intervening plaintiffs Amador Central Railroad Company, et al.	1451	1247
Application for interlocutory injunction and temporary restraining order upon supplemental complaint and upon amended complaint	1460	1251

	Original	Print
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC—Continued		
Stipulation and order granting leave to file supplemental complaint of plaintiffs and intervening plaintiffs Amador Central Railroad Company, et al., and amended complaint of intervening plaintiff St. Louis–San Francisco Railway Company and fixing time for pleading thereto	1466	1253
Stipulation and order on procedure for hearing and determination of this cause	1471	1256
Judgment for interlocutory injunction on supplemental complaint and on amended complaint	1476	1259
Undertaking on interlocutory injunction	1486	1267
Answer of intervening defendants Chicago and North Western Railway Company, et al. to amended complaint of intervening plaintiff St. Louis–San Francisco Railway Company	1488	1269
Answer of intervening defendants Chicago and North Western Railway Company, et al. to supplemental complaint of plaintiffs and intervening plaintiffs Amador Central Railroad Company, et al.	1496	1273
Joint Answer of the United States of America and the Interstate Commerce Commission to supplemental complaint of intervening plaintiffs the People of The State of California and The Public Utilities Commission of California	1503	1276
Joint Answer of the United States of America and The Interstate Commerce Commission to Supplemental Complaint of Plaintiffs and intervening plaintiffs Amador Central R.R. Co., et al.	1507	1278
Joint Answer of the United States of America and the Interstate Commerce Commission to amended complaint of intervening plaintiff St. Louis–San Francisco Railway Company	1511	1280

	Original	Print
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC—Continued		
Order granting motion of Missouri–Kansas–Texas Railroad Company for leave to intervene as plaintiff	1516	1282
Complaint of Missouri–Kansas–Texas Railroad Company, intervening plaintiff, to enjoin, set aside, annul and suspend orders of the Interstate Commerce Commission	1518	1283
Stipulation and order granting leave to file supplemental complaint of intervening plaintiffs, The People of The State of California and The Public Utilities Commission of California, and fixing time for pleading thereto	1529	1291
Stipulation and order granting leave to file supplemental complaint of intervening plaintiffs, Arizona Corporation Commission, et al.	1533	1294
Supplemental complaint of The People of The State of California, and The Public Utilities Commission of California to enjoin, set aside, annul and suspend order of The Interstate Commerce Commission	1538	1297
VOLUME 4		
Supplemental complaint of intervening plaintiffs, Arizona Corporation Commission, et al.	1541	1299
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to amended complaint of intervening plaintiff, St. Louis–San Francisco Railway Company	1545	1302
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to supplemental complaint of plaintiffs and of intervening plaintiffs, Amador Central Railroad Company, et al.	1551	1304

	Original	Print
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC—Continued		
Stipulation of intervening plaintiff The Missouri–Kansas–Texas Railroad Company to entry of orders granting leave to file supplemental complaints of intervening plaintiffs Arizona Corporation Commission, et al., and of People of The State of California, et al., and setting time for pleading thereto	1557	1306
Answer of intervening defendants Chicago and North Western Railway Company, et al. to complaint of Missouri–Kansas–Texas Railroad Company, intervening plaintiff	1559	1308
Answer of intervening defendants Chicago and North Western Railway Company, et al. to supplemental complaint of The People of The State of California, et al.	1566	1311
Answer of intervening defendants Chicago and North Western Railway Company, et al. to supplemental complaint of Arizona Corporation Commission, et al.	1572	1314
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to supplemental complaint of intervening plaintiffs, Arizona Corporation Commission, et al.	1578	1316
Joint answer of the United States of America and the Interstate Commerce Commission to supplemental complaint in intervention of Arizona Corporation Commission, et al.	1583	1318
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company, to supplemental complaint of the People of The State of California, et al.	1587	1320
Answer of intervening defendant, Chicago, Milwaukee, St. Paul and Pacific Railroad Company to complaint of intervening plaintiff, Missouri–Kansas–Texas Railroad Company	1592	1322

	Original	Print
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC—Continued		
Order fixing time for oral argument, submission of proposed findings and judgment and issues of fact and law remaining in controversy	1598	1324
List of issues remaining in controversy	1600	1325
Order extending time for filing proposed findings of fact and conclusions of law and judgment	1631	1348
Findings of fact, conclusions of law, and judgment proposed by defendants and intervening defendants	1634	1349
Findings of fact and conclusions of law proposed by plaintiffs and intervening plaintiffs	1772	1495
Judgment proposed by plaintiffs and intervening plaintiffs	1812	1525
Transcript of proceedings, November 19 and 20, 1964	1818	1528
Appearances	1819	1529
Opening argument on behalf of the plaintiffs and certain intervening plaintiffs by Mr. Trienens	1827	1534
Argument on behalf of intervening plaintiff St. Louis–San Francisco Railway Company by Mr. McCullough	1903	1582
Argument on behalf of the intervening plaintiffs Public Utilities Service Commission of Oregon, et al. by Mr. Weisser	1918	1592
Argument on behalf of intervening plaintiffs, People of the State of California and Public Utilities Commission by Mr. Saroyan	1926	1597
Argument on behalf of the defendants United States of America and The Interstate Commerce Commission by Mr. Cerra	1935	1603
Argument on behalf of the intervening defendants The Baltimore and Ohio Railroad Co., et al. by Mr. Kaier	1939	1605

	Original	Print
Record from the United States District Court for the Southern District of California, Central Division in Civil Action No. 63-745-EC—Continued		
Transcript of proceedings, November 19 and 20, 1964—Continued		
Argument on behalf of intervening defendants Chicago and North Western Railway Co., et al. by Mr. Belnap	1994	1640
Argument on behalf of intervening defendants The Baltimore and Ohio Railroad Co., et al. by Mr. Eshelman	2040	1667
Argument on behalf of the intervening defendants Chicago and North Western Railway Co., et al. by Mr. Hamilton	2055	1676
Further argument on behalf of the defendants United States of America and The Interstate Commerce Commission by Mr. Cerra	2073	1688
Closing argument on behalf of plaintiffs and intervening plaintiffs Amador Central Railroad Company, et al. by Mr. Trienens	2083	1695
Reporters' certificate (omitted in printing)	2112	1713
Memorandum opinion and order re preparation of judgment, January 25, 1965	2113	1714
Objections and grounds therefor, of intervening railroad defendants to form of judgment submitted by plaintiffs and intervening plaintiffs Amador Central Railroad Company, et al.	2137	1735
Memorandum in opposition to objections of intervening defendants to form of judgment	2153	1746
Judgment filed and entered February 18, 1965	2168	1755
Order staying judgment	2173	1759
Notice of appeal of Chicago and North Western Railway Company, et al. to the Supreme Court of the United States	2175	1760
Notice of appeal of United States of America and Interstate Commerce Commission to the Supreme Court of the United States	2184	1765
Order noting probable jurisdiction	2191	1769

[fol. 1]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

No. 31503

Sub. No. 1

THE AHNAPEE AND WESTERN RAILWAY COMPANY, et al., Complainants,

vs.

ABILENE & SOUTHERN RAILWAY COMPANY, et al., Defendants.

COMPLAINT—Filed June 3, 1954

This complaint of the complainants herein against the defendants herein respectfully shows:

1. Complainants are named in Appendix A attached hereto and made a part hereof, and defendants are named in Appendix B attached hereto and made a part hereof. All complainants and all defendants are common carriers by railroad engaged in the transportation of property in railroad freight service between points in various states of the United States, and between points in the District of Columbia and points in various states of the United States, and as such common carriers are subject to the provisions of the Interstate Commerce Act.

2. As used in this complaint, the term "Eastern Territory" means the territory described in Appendix C attached hereto and made a part hereof; the term "Midwestern Territory" means the territory described in Ap-
[fol. 2] pendix D attached hereto and made a part hereof; the term "Transcontinental Territory" means the territory

described in Appendix E attached hereto and made a part hereof; the term "railroad freight service" means freight service in whole or in part by railroad; and the term "joint rates" means joint rates for the transportation of property in railroad freight service, whether specifically published as joint rates, or whether made or constructed under or by use of an aggregate-of-intermediates rule or some other tariff rule or formula.

3. Complainants and defendants are parties to a large number of joint rates applicable between points in Eastern Territory and points in Transcontinental Territory; and complainants and defendants in and west of Midwestern Territory are parties to a large number of joint rates applicable between points in Midwestern Territory and points in Transcontinental Territory.

4. The joint rates described in paragraph 3 hereof are now divided between and among the carriers participating therein upon bases which, for the most part, were established many years ago. The present divisions of said joint rates received by complainants do not yield, and have not yielded, just, reasonable, and equitable revenues to complainants. Since the establishment of the present divisions of said joint rates, substantial changes in conditions have occurred which have been to the disadvantage of complainants and to the advantage of carriers in Eastern Territory and to the advantage of carriers west of Midwestern Territory.

[fol. 3] 5. The financial needs of complainants are such that they require a substantially greater amount of revenue in order to pay their respective operating expenses, taxes, and a fair return on their railway property held for and used in the service of transportation; and their financial needs are greater than those of the carriers in Eastern Territory and the carriers west of Midwestern Territory.

6. The present divisions of the joint rates described in paragraph 3 hereof do not conform to the standards set forth in the Interstate Commerce Act in that (a) the proportions from the joint rates between Eastern Territory and Transcontinental Territory received by complainants are, and for the future will be, unjust, unreasonable, inequitable, and unduly prejudicial as to complainants, and unduly preferential as to the carriers in Eastern Territory and as to the carriers west of Midwestern Territory; and (b) the proportions from the joint rates between Midwestern Territory and Transcontinental Territory received by complainants are, and for the future will be, unjust, unreasonable, inequitable, and unduly prejudicial as to complainants, and unduly preferential as to the carriers west of Midwestern Territory.

7. The present divisions of the joint rates described in paragraph 3 hereof received by defendant carriers operating in Midwestern Territory which are in competition with complainants for traffic will be in need of adjustment to conform to the just, reasonable, and equitable divisions to be prescribed by the Commission in the proceeding initiated by this complaint so that undue preference and prejudice shall not result.

Wherefore, complainants pray that defendants be re-
[fol. 4] quired to answer the charges herein; that after due hearing and investigation an order be made commanding defendants, and each of them, to cease and desist from the aforesaid violations of the Interstate Commerce Act, and prescribing just, reasonable, equitable, non-preferential, and non-prejudicial divisions of the joint rates described in paragraph 3 hereof; that in cases where said joint rates were established pursuant to findings or orders of the Commission, the Commission determine what, for the period subsequent to the filing of this complaint, would have been the just, reasonable, and equitable divisions of such joint rates, and require retroactive adjustment to be made in

accordance therewith; and that such further order or orders be made as shall be just and proper in the premises.

Respectfully submitted,

James G. Blaine, 1553 Railway Exchange Bldg., St. Louis 1, Missouri,

Martin L. Cassell, Jr., 139 W. Van Buren St., Chicago 5, Illinois,

Bryce L. Hamilton, 1400 First National Bank Bldg., Chicago 3, Illinois,

George W. Holmes, 2008 Missouri Pacific Bldg., St. Louis 3, Missouri,

John E. McCullough, 300 Frisco Bldg., St. Louis 1, Missouri,

Henry S. Mitchell, First National Bank Bldg., Minneapolis 2, Minnesota,

Nye F. Morehouse, 400 W. Madison Street, Chicago 6, Illinois,

Richard Musenbrock, 111 E. Franklin Avenue, Minneapolis 4, Minnesota,

Harold E. Spencer, 135 E. 11th Place, Chicago 5, Illinois,

Ross L. Thorfinnson, 1427 First National-Soo Line Bldg., Minneapolis 2, Minnesota,

Charles F. Turner, 104 St. Francis Street, Mobile 5, Alabama,

Attorneys for Complainants.

Dated: June 2, 1954.

[fol. 5]

Appendix A to Complaint

Complainants.

The Ahnapee and Western Railway Company
Arkansas & Louisiana Missouri Railway Company
Arkansas & Ozarks Railway Corporation
Arkansas Railroad Company
Ashley, Drew & Northern Railway Company
Augusta Railroad Company
Bauxite & Northern Railway Company
Beaver, Meade and Englewood Railroad Company
Cassville & Exeter Railway Company
Cedar Rapids and Iowa City Railway Company
Charles City Western Railway Company
Chicago & Illinois Western Railroad
Chicago and North Western Railway Company
Chicago Aurora and Elgin Railway Company
Chicago Great Western Railway Company
Chicago North Shore and Milwaukee Railway
Chicago, Rock Island and Pacific Railroad Company
Chicago, Saint Paul, Minneapolis and Omaha Railway Company
Copper Range Railroad Company
Dardanelle & Russellville Railroad Company
Delta Valley & Southern Railway Company
DeQueen and Eastern Railroad Company
DesMoines and Central Iowa Railway Company
Doniphan, Kensett & Searcy Railway
Duluth, South Shore and Atlantic Railroad Company
El Dorado and Wesson Railway Company
Escanaba and Lake Superior Railroad Company
Fort Dodge, DesMoines & Southern Railway Company
Fort Smith, Subiaco & Rock Island Railroad Company
Galveston, Houston and Henderson Railroad Company
Graysonia, Nashville & Ashdown Railroad Company

Green Bay and Western Railroad Company
Gulf, Mobile and Ohio Railroad Company
[fol. 6]
Hillsboro and North Eastern Railway Company
Illinois Central Railroad Company
Kansas City, Kaw Valley Railroad, Inc.
Kansas, Oklahoma & Gulf Railway Company
Kewaunee, Green Bay and Western Railroad Company
Lake Superior & Ishpeming Railroad Company
Laona & Northern Railway Company
The LaSalle and Bureau County Railroad Company
Litchfield and Madison Railway Company
The Louisiana and North West Railroad Company
The Louisiana & Pine Bluff Railway Company
Louisiana Midland Railway Company
The Mansfield Railway & Transportation Company
Marinette, Tomahawk & Western Railroad Company
Mason City and Clear Lake Railroad Company
Midland Valley Railroad Company
The Minneapolis & St. Louis Railway Company
Minneapolis, Anoka and Cuyuna Range Railroad Company
Minneapolis, Northfield and Southern Railway
Minneapolis, St. Paul & Sault Ste. Marie Railroad Company
Minnesota Western Railway Company
Missouri-Kansas-Texas Railroad Company
Missouri-Kansas-Texas Railroad Company of Texas
Missouri Pacific Railroad Company (Guy A. Thompson, Trustee)
Missouri Pacific Railroad Corporation in Nebraska (Guy A. Thompson, Trustee)
Missouri Pacific Lines:
Asherton and Gulf Railway Company (Guy A. Thompson, Trustee)
Asphalt Belt Railway Company (Guy A. Thompson, Trustee)

The Beaumont, Sour Lake & Western Railway Company (Guy A. Thompson, Trustee)
Houston and Brazos Valley Railway Company (Guy A. Thompson, Trustee)
International-Great Northern Railroad Company (Guy A. Thompson, Trustee)
[fol. 7]
New Iberia & Northern Railroad Company (Guy A. Thompson, Trustee)
New Orleans, Texas & Mexico Railway Company (Guy A. Thompson, Trustee)
The Orange & Northwestern Railroad Company (Guy A. Thompson, Trustee)
Rio Grande City Railway Company (Guy A. Thompson, Trustee)
The St. Louis, Brownsville and Mexico Railway Company (Guy A. Thompson, Trustee)
San Antonio Southern Railway Company (Guy A. Thompson, Trustee)
San Antonio, Uvalde & Gulf Railroad Company (Guy A. Thompson, Trustee)
San Benito and Rio Grande Valley Railway Company (Guy A. Thompson, Trustee)
Sugar Land Railway Company (Guy A. Thompson, Trustee)
The Nacogdoches & Southeastern Railroad Company
Natchez & Southern Railway Company (Guy A. Thompson, Trustee)
New Orleans and Lower Coast Railroad Company
Northeast Oklahoma Railroad Company
North Louisiana & Gulf Railroad Company
Oklahoma City-Ada-Atoka Railway Company
Okmulgee Northern Railway Company
Paris and Mt. Pleasant Railroad Company
Point Comfort & Northern Railway Company

The Prescott and Northwestern Railroad Company
Quanah, Acme & Pacific Railway Company
Rockdale, Sandow & Southern Railroad Company
St. Francois County Railroad Company
St. Louis-San Francisco Railway Company
St. Louis, San Francisco and Texas Railway Company
Sand Springs Railway Company
Southern Iowa Railway Company
Texas Oklahoma & Eastern Railroad Company
Tremont & Gulf Railway Company
Tulsa-Sapulpa Union Railway Company
[fol. 8]
Waco, Beaumont, Trinity & Sabine Railway Company
(T. L. Epperson, Receiver)
Warren & Ouachita Valley Railway Company
Warren & Saline River Railroad Company
Waterloo, Cedar Falls & Northern Railroad
Wichita Falls & Southern Railroad Company

[fol. 9]

APPENDIX B TO COMPLAINT

Defendants.

Abilene & Southern Railway Company
The Akron, Canton & Youngstown Railroad Company
The Alabama Great Southern Railroad Company
Alameda Belt Line
Almanor Railroad Company
Alton and Southern Railroad
Amador Central Railroad Company
Angelina & Neches River Railroad Company
The Ann Arbor Railroad Company
The Apache Railway Company
Arcade and Attica Railroad Corporation
The Arcata and Mad River Rail Road Company
The Arkansas Western Railway Company
Aroostook Valley Railroad Company

The Atchison, Topeka and Santa Fe Railway Company
Atlanta and West Point Rail Road Company
The Atlantic and Danville Railway Company
Atlantic Coast Line Railroad Company
The Baltimore and Annapolis Railroad Company
Baltimore and Eastern Railroad Company
The Baltimore and Ohio Chicago Terminal Railroad Company
The Baltimore and Ohio Railroad Company
Bamberger Railroad Company
Bangor and Aroostook Railroad Company
Barre and Chelsea Railroad Company
Bath and Hammondsport Railroad Company
Belfast and Moosehead Lake Railroad Company
Bellefonte Central Railroad Company
The Belt Railway Company of Chicago
Bessemer and Lake Erie Railroad Company
Bevier & Southern Railroad Company
The Big Creek and Telocaset Railroad Company
Boston and Maine Railroad
Boyne City Railroad Company
[fol. 10]
Brooklyn Eastern District Terminal
Bush Terminal Railroad Company
Butte, Anaconda & Pacific Railway Company
The California and Oregon Coast Railroad Company (C. H. Demaray, Receiver)
California Western Railroad
Camas Prairie Railroad Company
Camino, Placerville & Lake Tahoe Railroad Company
Carolina and Northwestern Railway Company
Carolina, Clinchfield and Ohio Railway
Carolina, Clinchfield and Ohio Railway of South Carolina, Lessees:
Atlantic Coast Line Railroad Company
Louisville and Nashville Railroad Company
Central California Traction Company

Central Indiana Railway Company
Central of Georgia Railway Company
The Central Railroad Company of New Jersey
Central Vermont Railway, Inc.
Chattanooga Traction Company
The Chesapeake and Ohio Railway Company
Chesapeake District
Pere Marquette District
Chesapeake Western Railway
Chestnut Ridge Railway Company
Chicago and Eastern Illinois Railroad Company
Chicago & Illinois Midland Railway Company
Chicago, Burlington & Quincy Railroad Company
Chicago, Indianapolis and Louisville Railway Company
Chicago Junction Railway (The Chicago River and Indiana Railroad Company, Lessee)
Chicago, Milwaukee, St. Paul and Pacific Railroad Company
The Chicago River and Indiana Railroad Company
Chicago South Shore and South Bend Railroad
The Cincinnati, New Orleans and Texas Pacific Railway Company
City of Prineville Railway
The Clarendon and Pittsford Railroad Company
The Colorado and Southern Railway Company
[fol. 11] Columbia & Cowlitz Railway Company
Columbia & Millstadt Railroad Company
Condon, Kinzua & Southern Railroad Company
Cornwall Railroad Company
Cotton Plant-Fargo Railway Company
Coudersport and Port Allegany Railroad Company
Cowlitz, Chehalis & Cascade Railway
The Dansville and Mount Morris Railroad Company
The Delaware and Hudson Railroad Corporation
The Delaware, Lackawanna and Western Railroad Company

The Denison and Pacific Suburban Railway Company
The Denver and Rio Grande Western Railroad Company
Detroit and Mackinac Railway Company
The Detroit and Toledo Shore Line Railroad Company
Detroit, Toledo and Ironton Railroad Company
Drummond Lighterage Company
East Jordan & Southern Railroad Company
East Washington Railway Company
Elgin, Joliet and Eastern Railway Company
Erie Railroad Company
Feather River Railway Company
Fonda, Johnstown and Gloversville Railroad Company
Fore River Railroad Corporation
Fort Smith and Van Buren Railway Company
Fort Worth and Denver Railway Company
Foss Launch & Tug Co.
Frankfort & Cincinnati Railroad Company
Galesburg and Great Eastern Railroad Company
The Garden City Western Railway Company
Genessee and Wyoming Railroad Company
Georgia Southern and Florida Railway Company
Grafton and Upton Railroad Company
Grand Trunk Railway System (Lines in the United States East of the west bank of the Detroit and St. Clair Rivers), comprising the following carriers:
Canadian National Railway Company
The Champlain and St. Lawrence Railroad Company,
(Canadian National Railway Company, Lessee)
[fol. 12] The United States and Canada Rail Road Company
(Canadian National Railway Company, Lessee)
Grand Trunk Western Railroad Company
Great Northern Railway Company
The Great Western Railway Company
Greenwich & Johnsonville Railway Company

Gulf, Colorado and Santa Fe Railway Company
Harriman and Northeastern Railroad Company
High Point, Thomasville & Denton Railroad Company
Hoboken Manufacturers Railroad Company
Holton Inter-Urban Railway Company
Illinois Northern Railway
Illinois Terminal Railroad Company
Indiana Harbor Belt Railroad Company
Interstate Railroad Company
The Ironton Railroad Company (Lehigh Valley Railroad Company and Reading Company, Lessees)
The Jay Street Connecting Railroad
The Kansas City Southern Railway Company
Klamath Northern Railway Company
Lackawanna and Wyoming Valley Railroad Company (E. McLain Watters, Trustee)
Lafferty Transportation Company
Lake Erie, Franklin & Clarion Railroad Company
The Lakeside and Marblehead Railroad Company
The Lehigh and Hudson River Railway Company
Lehigh and New England Railroad Company
Lehigh Valley Railroad Company
The Long Island Rail Road Company (Wm. Wyer, Trustee)
Longview, Portland & Northern Railway Company
The Lorain & West Virginia Railway Company
Los Angeles Junction Railway Company
Louisiana & Arkansas Railway Company
Louisiana Southern Railway Company
Louisville and Nashville Railroad Company
Louisville, New Albany & Corydon Railroad Company
McCloud River Railroad Company
Magma Arizona Railroad Company
Maine Central Railroad Company
Manistee and Northeastern Railway Company
[fol. 13] Manistique and Lake Superior Railroad Company

The Mansfield Railway & Transportation Company
Manufacturers Railway Company
The Marcellus and Otisco Company, Inc.
Maryland and Pennsylvania Railroad Company
Middletown and New Jersey Railway Company, Inc.
Midland Continental Railroad
Modesto and Empire Traction Company
The Monongahela Railway Company
The Montana Western Railway Co.
Montana, Wyoming & Southern Railroad Company
Montour Railroad Company
Morristown & Erie Railroad Company
Moshassuck Valley Railroad Company
Mount Hood Railroad Company
Mt. Vernon Terminal Railway, Inc.
The Narragansett Pier Railroad Company, Inc.
The Nashville, Chattanooga & St. Louis Railway
Nelson & Albemarle Railway Company
Nevada Northern Railway Company
The New Jersey and New York Railroad Company (Peter Duryee, Trustee)
New Jersey, Indiana & Illinois Railroad Company
New Orleans and Northeastern Railroad Company
The New York and Long Branch Railroad Company
The New York Central Railroad Company
Boston and Albany District
Chicago, Kalamazoo & Saginaw District
Cleveland, Cincinnati, Chicago & St. Louis District
Eastern District
Michigan Central District
Western District
West Shore District
The New York, Chicago and St. Louis Railroad Company
The New York Connecting Rail Road Company
New York Dock Railway
The New York, New Haven and Hartford Railroad Company

New York, Ontario and Western Railway Company (Lewis D. Freeman, Trustee)
[fol. 14] New York, Susquehanna and Western Railroad Company
Nezperce Railroad Company
Norfolk and Western Railway Company
Norfolk Southern Railway Company
Northampton and Bath Railroad Company
Northern Pacific Railway Company
Northwestern Pacific Railroad Company
Norwood & St. Lawrence Railroad Company
Oregon & Northwestern Railroad Co.
Oregon, California & Eastern Railway Company
Oregon Electric Railway Company
Oregon Pacific and Eastern Railway Company
Oregon Trunk Railway
Pacific Coast R. R. Co.
Pacific Electric Railway Company
Panhandle and Santa Fe Railway Company
Passamaquoddy Ferry and Navigation Company
The Pecos Valley Southern Railway Company
Pennsylvania and Atlantic Railroad Company (South of Shrewsbury Road, N. J., to Pemberton, N. J., inclusive) (The Union Transportation Company, Lessee)
The Pennsylvania Railroad Company
Pennsylvania-Reading Seashore Lines
Petaluma and Santa Rosa Railroad Company
Piedmont and Northern Railway Company
The Pittsburg & Shawmut Railroad Company
The Pittsburgh and Lake Erie Railroad Company
The Pittsburgh & West Virginia Railway Company
Pittsburgh, Chartiers & Youghiogheny Railway Company
Port Huron and Detroit Railroad Company
Portland Traction Company (Portland Railroad and Terminal Division)
Port Townsend Railroad

The Potomac Edison Company
Quincy Railroad Company
Rahway Valley Company (Rahway Valley Company, Lessee)
Raritan River Rail Road Company
[fol. 15] Reader Railroad
Reading Company
Red Collar Line, Inc.
Richmond, Fredericksburg and Potomac Railroad Company
Roscoe, Snyder and Pacific Railway Company
Rosslyn Connecting Railroad Company
Rutland Railway Corporation
St. Johnsbury & Lamoille County Railroad
St. Louis Southwestern Railway Company
Sacramento Northern Railway
Salt Lake, Garfield and Western Railway Company
San Diego & Arizona Eastern Railway Company
Sanford and Eastern Railroad Corporation
San Francisco and Napa Valley Railroad
Santa Maria Valley Railroad Company
Saratoga & Schuylerville Railroad Corporation
Seaboard Air Line Railroad Company
Sierra Railroad Company
Skaneateles Short Line Railroad Corporation
Smithfield Terminal Railway Company
South Brooklyn Railway Company
Southern Pacific Company (Pacific Lines)
Southern Railway Company
Spokane International Railroad Company
Spokane, Portland and Seattle Railway Company
Springfield Terminal Railway Company (Vermont)
The Staten Island Rapid Transit Railway Company
The Stewartstown Railroad Company
Stockton Terminal and Eastern Railroad
Sunset Railway Company
Terminal Railroad Association of St. Louis

Texas and New Orleans Railroad Company
Texas & Northern Railway Company
The Texas and Pacific Railway Company
The Texas Mexican Railway Company
Texas-New Mexico Railway Company
Texas Short Line Railway Company
Texas South-Eastern Railroad Company
Tidewater Southern Railway Company
The Toledo and Eastern Railroad Company
Toledo, Peoria & Western Railroad Company
[fol. 16] Tooele Valley Railway Company
Trona Railway Company
Tucson, Cornelia and Gila Bend Railroad Company
Unadilla Valley Railway Company
Union Pacific Railroad Company
Valley and Siletz Railroad Company
Ventura County Railway Company
Virginia Central Railway
The Virginian Railway Company
Visalia Electric Railroad Company
Wabash Railroad Company
Walla Walla Valley Railway Company
Warwick Railway Company
Washington and Old Dominion Railroad
Washington, Idaho & Montana Railway Company
The Weatherford, Mineral Wells and Northwestern Railway Company
Western Allegheny Railroad Company
Western Maryland Railway Company
The Western Pacific Railroad Company
The Western Railway of Alabama
Wharton and Northern Railroad Company
White Sulphur Springs & Yellowstone Park Railway Company
Willamina and Grand Ronde Ry. Co.
The Winfield Railroad Company
Yakima Valley Transportation Company
Youngstown & Southern Railway Company
Yreka Western Railroad Company

[fol. 17] APPENDIX C TO COMPLAINT

Eastern Territory.

The term "Eastern Territory" includes all stations in the following States and District of Columbia, except as otherwise provided in this appendix:

Connecticut
Delaware
District of Columbia
Indiana (except stations in Chicago Switching District as defined in R. G. Raasch, Agent, I. C. C. No. 703, and stations on lines of Elgin, Joliet and Eastern Railway Company.)
Kentucky (Louisville and all stations on line of The Chesapeake and Ohio Railway Company in Kentucky.)
Maine
Maryland
Massachusetts
Michigan (Southern Peninsula.)
New Hampshire
New Jersey
New York
Ohio
Pennsylvania
Rhode Island
Tennessee (Bristol, Va.-Tenn., only.)
Vermont
Virginia (stations on and north of line of Norfolk and Western Railway Company from Bristol, Va.-Tenn., to its junction with line of The Virginian Railway Company at Roanoke, Va., thence on and north of line of The Virginian Railway Company to Suffolk, Va., thence on and north of line of Norfolk and Western Railway Company from Suffolk, Va., to Norfolk, Va.)
West Virginia

[fol. 18] APPENDIX D TO COMPLAINT

Midwestern Territory.

The term "Midwestern Territory" includes all stations in the following States, except as otherwise provided in this appendix:

Arkansas

Colorado (except stations on and west of line of Union Pacific Railroad Company from Cheyenne, Wyo., thru Greeley and Brighton to Denver, thence line of The Colorado and Southern Railway Company thru Colorado Springs, Pueblo, Walsenburg and Trinidad to New Mexico border.)

Illinois

Indiana (stations in Chicago Switching District as defined in R. G. Raasch, Agent, I. C. C. No. 703, and stations on lines of Elgin, Joliet and Eastern Railway Company.)

Iowa

Kansas

Louisiana (west of Mississippi River; New Orleans, Baton Rouge and North Baton Rouge; also all stations on the line of Illinois Central Railroad Company between St. Francisville and New Orleans via Slaughter, Baton Rouge and St. Gabriel, and all stations on the line of Louisiana & Arkansas Railway Company between North Maryland and New Orleans; also Harahan (including Camp Plauche).)

Michigan (Upper Peninsula.)

Minnesota (except stations west of Minneapolis and north of line of the Minnesota Western Railway Company to Wesota, thence an imaginary line to Madison, thence the line of The Minneapolis & St Louis Railway Company to South Dakota border; also stations west of line of Great Northern Railway Company Minneapolis to Hinckley, thence west of line of Northern Pacific Railway Company Hinckley to Duluth.)

Mississippi (Natchez and Vicksburg, only.)
Missouri
Nebraska
New Mexico (stations on lines of Chicago, Rock Island and Pacific Railroad Company east of Tucumcari.)
Oklahoma
South Dakota
Tennessee (Memphis, only.)
Texas
Wisconsin

[fol. 19] APPENDIX E TO COMPLAINT

Transcontinental Territory.

The term "Transcontinental Territory" includes all stations in the following States, except as otherwise provided in this appendix:

Arizona
California
Idaho (on and west of the Montana State Line from the Canadian border to a point immediately east of Falcon, thence on and west of a line drawn through Hillcrest and Kuna to the Nevada border immediately west of Idavada.)
Montana (via Duluth, Minneapolis, Minnesota Transfer, St. Paul, Minn., or Superior, Wis.)
Nevada (except stations on line of Union Pacific Railroad Company north of Wells.)
New Mexico (stations on line of The Atchison, Topeka and Santa Fe Railway Company, Paquita, Felipe and west thereof; stations on line of The Atchison, Topeka and Santa Fe Railway Company, Deming and west thereof; and stations on lines of Southern Pacific Company west of El Paso, Texas.)
Oregon
Utah (West Weber, Ellerbeck and west there; also Stockton, Juab and west and south thereof.)
Washington

[fol. 20]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

No. 31503, Sub. No. 1

THE AHNAPEE AND WESTERN RAILWAY COMPANY, et al., Complainants,

vs.

ABILENE & SOUTHERN RAILWAY COMPANY, et al., Defendants.

PETITION FOR LEAVE TO FILE AMENDMENT TO COMPLAINT—Filed August 26, ~~1954~~

Now come complainants in this proceeding and petition the Commission for leave to file the document titled "Amendment to Complaint" attached hereto, for the purpose of making changes in parties complainant and defendant as specified in said Amendment to Complaint.

Complainants pray that the original complaint in this proceeding dated June 2, 1954, be amended as specified in said Amendment to Complaint.

Respectfully submitted,

James G. Blaine, 1553 Railway Exchange Bldg., St. Louis 1, Missouri,

Martin L. Cassell, Jr., 139 W. Van Buren St., Chicago 5, Illinois,

Bryce L. Hamilton, 1400 First National Bank Bldg., Chicago 3, Illinois,

George W. Holmes, 2008 Missouri Pacific Bldg., St. Louis 3, Missouri,

John E. McCullough, 300 Frisco Bldg., St. Louis 1, Missouri,

Henry S. Mitchell, First National Bank Bldg., Minneapolis 2, Minnesota,

Nye F. Morehouse, 400 W. Madison Street, Chicago 6, Illinois,

Richard Musenbrock, 111 E. Franklin Avenue, Minneapolis 4, Minnesota,

Harold E. Spencer, 135 E. 11th Place, Chicago 5, Illinois,

Ross L. Thorfinnson, 1427 First National-Soo Line Bldg., Minneapolis 2, Minnesota,

Charles F. Turner, 104 St. Francis Street, Mobile 5, Alabama,

Attorneys for Complainants.

Dated: August 25, 1954.

[fol. 21]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

No. 31503, Sub. No. 1

THE AHNAPEE AND WESTERN RAILWAY COMPANY, et al.,
Complainants,

vs.

ABILENE & SOUTHERN RAILWAY COMPANY, et al., Defendants.

AMENDMENT TO COMPLAINT

The original complaint in this proceeding dated June 2, 1954, is hereby amended in the following particulars:

1. The list of complainants in Appendix A is amended by adding thereto the following named common carrier by railroad:

Elgin, Joliet and Eastern Railway Company.

2. The list of complainants in Appendix A is further amended by eliminating therefrom the following named common carriers by railroad:

Louisiana Midland Railway Company
Wichita Falls & Southern Railroad Company.

3. The list of defendants in Appendix B is amended by adding thereto the following named common carriers by railroad:

Beech Mountain Railroad Company
Craig Mountain Railway Company
Hoosac Tunnel and Wilmington Railroad Company
Louisiana Midland Railway Company
Ludington & Northern Railway
Sumpter Valley Railway Company
Virginia Blue Ridge Railway

[fol. 22] 4. The list of defendants in Appendix B is further amended by eliminating therefrom the following named common carrier by railroad:

Elgin, Joliet and Eastern Railway Company.

James G. Blaine, 1553 Railway Exchange Bldg., St. Louis 1, Missouri,

Martin L. Cassell, Jr., 139 W. Van Buren St., Chicago 5, Illinois,

Bryce L. Hamilton, 1400 First National Bank Bldg., Chicago 3, Illinois,

George W. Holmes, 2008 Missouri Pacific Bldg., St. Louis 3, Missouri,

John E. McCullough, 300 Frisco Bldg., St. Louis 1, Missouri,

Henry S. Mitchell, First National Bank Bldg., Minneapolis 2, Minnesota,

Nye F. Morehouse, 400 W. Madison Street, Chicago 6, Illinois,

Richard Musenbrock, 111 E. Franklin Avenue, Minneapolis 4, Minnesota,

Harold E. Spencer, 135 E. 11th Place, Chicago 5, Illinois,

Ross L. Thorfinnson, 1427 First National-Soo Line Bldg., Minneapolis 2, Minnesota,

Charles F. Turner, 104 St. Francis Street, Mobile 5, Alabama,

Attorneys for Complainants.

Dated: August 25, 1954.

Certificate of Service (omitted in printing).

[fol. 23]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

No. 31503, Sub. No. 1

THE AHNAPEE AND WESTERN RAILWAY COMPANY, et al.,

v.

ABILENE & SOUTHERN RAILWAY COMPANY, et al.

ORDER AMENDING COMPLAINT, ETC.—August 30, 1954

In the Matter of Petition for Leave to Amend Complaint

Present: Charles D. Mahaffie, Commissioner, to whom the above entitled matter has been assigned for action thereon.

Upon consideration of the record in the above-entitled proceeding and petition filed on behalf of Complainants.

It is ordered, That the complaint in this proceeding be, and it is hereby, amended in accordance with the document hereto attached marked "Petition for Leave to File Amendment to Complaint and Amendment to Complaint" by naming the Elgin, Joliet and Eastern Railway Company an additional party complainant, dismissing the Louisiana Midland Railway Company and the Wichita Falls & Southern Railroad Company as parties complainant, dismissing the Elgin, Joliet and Eastern Railway Company as a party defendant, and by making the Beech Mountain Railroad Company, Craig Mountain Railway Company, Hoosac Tunnel and Wilmington Railroad Company, Louisiana Midland Railway Company, Ludington & Northern Railway, Sumpter Valley Railway Company and Virginia Blue Ridge Railway additional parties defendant.

It is further ordered, That a copy of the original complaint be served upon the new defendants; that a copy of

the amended complaint be served upon each defendant and that a copy of this order be served upon each of the parties to this proceeding.

Dated at Washington, D. C., this 30th day of August, A. D. 1954.

By the Commission, Commissioner Mahaffie.

George W. Laird, Secretary.

(Seal)

[fol. 24]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

No. 31503, Sub. No. 1

THE AHNAPEE AND WESTERN RAILWAY COMPANY, et al., Complainants,

vs.

THE ABILENE & SOUTHERN RAILWAY COMPANY, et al., Defendants.

ANSWER AND CROSS-COMPLAINT—Filed October 4, 1954

Now come the defendants and cross-complainants named in Appendix A hereto, and for their answer to the complaint, as amended, in this proceedings and for their cross-complaint in respect to the issues raised therein, plead as follows:

1. Admit the allegations of paragraph 1 of the complaint.
2. Admit the allegations of paragraph 2 of the complaint.
3. Admit the allegations of paragraph 3 of the complaint.

4. Deny each and every allegation of paragraph 4 of the complaint and allege that the present divisions were estab-[fol. 25] lished in 1925 as a result of the mutual agreement of the parties, which agreed basis of divisions was found not unreasonable by the Commission in Docket No. 15234.

5. Deny each and every allegation of paragraph 5 of the complaint.

6. Except as stated in their cross-complaint herein, deny each and every allegation of paragraph 6 of the complaint.

7. Allege in response to paragraph 7 of the complaint that, in the event the Commission should investigate and consider the divisions of complainants, it should also investigate and consider the divisions of defendant carriers operating in Midwestern territory in competition with complainants.

8. Deny all allegations in the complaint not expressly admitted herein.

9. Deny that the divisions referred to in the complaint are, and for the future will be, unduly preferential to the defendants and cross-complainants named in Appendix A hereto, and unjust, unreasonable, inequitable and unduly prejudicial to complainants in any respect whatever and deny that complainants, or any of them, are entitled to the relief prayed for, or to any relief.

10. Allege, as a cross-complaint, that the divisions referred to in the complaint are, and for the future will be, unduly preferential to complainants and unjust, unreasonable, inequitable and unduly prejudicial to defendants and cross-complainants named in Appendix A hereto.

[fol. 26] Wherefore, the defendants and cross-complainants named in Appendix A hereto pray: That the relief prayed for in the complaint be denied and that the complaint be dismissed; that complainants be required to answer the charges of this cross-complaint; that the Com-

mission hear and determine the matters and things complained of in this cross-complaint; and that, after such hearings and investigation, an order be made prescribing just, reasonable and equitable divisions of the joint rates referred to in the complaint.

Respectfully submitted,

S. R. Brittingham, Jr., Otis J. Gibson, Lawrence W. Hobbs, James E. Lyons, Warren H. Ploeger, Ernest Porter, L. E. Torinus, Jr., Howard J. Trienens, Douglas F. Smith, Counsel for the Carriers named in Appendix A hereto.

Dated: September 29, 1954.

[fol. 27] Certificate of Service (omitted in printing).

[fol. 28]

APPENDIX A TO ANSWER, ETC.

Defendants and Cross-Complainants.

Alameda Belt Line
Amador Central Railroad Company
The Arcata and Mad River Rail Road Company
The Atchison, Topeka and Santa Fe Railway Company
Bamberger Railroad Company
Butte, Anaconda & Pacific Railway Company
The California and Oregon Coast Railroad Company
California Western Railroad
Camas Prairie Railroad Company
Camino, Placerville & Lake Tahoe Railroad Company
Central California Traction Company
The Colorado and Wyoming Railway Company
The Denver and Rio Grande Western Railroad Company
Great Northern Railway Company

Gulf, Colorado and Santa Fe Railway Company
Holton Inter-Urban Railway Company
Inter-California Railway Company
Klamath Northern Railway Company
Longview, Portland & Northern Railway Company
Los Angeles Junction Railway Company
Magma Arizona Railroad Company
McCloud River Railroad Company
Modesta and Empire Traction Company
Nacozari Rail Road Company
Nevada Northern Railway Company
Northern Pacific Railway Company
Northwestern Pacific Railroad Company
Oregon, California & Eastern Railway Company
Oregon Electric Railway Company
Oregon Pacific and Eastern Railway Company
[fol. 29] Oregon Trunk Railway
Pacific Coast R. R. Co.
Pacific Electric Railway Company
Panhandle and Santa Fe Railway Company
Petaluma and Santa Rosa Railroad Company
Portland Traction Company
Sacramento Northern Railway
Salt Lake, Garfield and Western Railway Company
San Diego & Arizona Eastern Railway Company
San Francisco and Napa Valley Railroad
The San Luis Central Railroad Company
Santa Maria Valley Railroad Company
Sierra Railroad Company
Southern Pacific Company
Spokane International Railroad Company
Spokane, Portland and Seattle Railway Company
Stockton Terminal and Eastern Railroad
Sunset Railway Company
Texas and New Orleans Railroad Company
Tidewater Southern Railway Company
Tijuana and Tecate Railway Company
Tooele Valley Railway Company

Trona Railway Company
Tucson, Cornelia and Gila Bend Railroad Company
Union Pacific Railroad Company
Utah Railway Company
Ventura County Railway Company
Visalia Electric Railroad Company
Walla Walla Valley Railway Company
Washington, Idaho & Montana Railway Company
The Western Pacific Railroad Company
Yakima Valley Transportation Co.
Yreka Western Railroad Company

[fol. 30]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

No. 31503

Sub. No. 1

THE AHNAPEE AND WESTERN RAILWAY COMPANY, et al.,
Complainants,

vs.

ABILENE & SOUTHERN RAILWAY COMPANY, et al.,
Defendants.

ANSWER OF COMPLAINANTS TO CROSS-COMPLAINT OF CERTAIN DEFENDANTS DATED SEPTEMBER 29, 1954—Filed October 26, 1954

Now come complainants, and for their answer to the above-described cross-complaint say:

1. Complainants deny each and all of the allegations of said cross-complaint.

2. Complainants deny that cross-complainants are entitled to the relief prayed for, or any relief, and pray that said cross-complaint be dismissed.

Respectfully submitted,

James G. Blaine, Martin L. Cassell, Jr., Bryce L. Hamilton, George W. Holmes, John E. McCullough, Henry S. Mitchell, Nye F. Morehouse, Richard Musenbrock, Harold E. Spencer, Ross L. Thorfinnson, Charles F. Turner,

Attorneys for Complainants.

Address:

Bryce L. Hamilton
1400 First National Bank Bldg.
Chicago 3, Illinois.

October 25, 1954.

I hereby certify that a copy of the foregoing answer has been mailed to counsel for cross-complainants.

Bryce L. Hamilton, Of Counsel.

[fol. 31]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

Docket No. 31503

Sub. No. 3

CHICAGO, MILWAUKEE, ST. PAUL AND PACIFIC RAILROAD COMPANY, Complainant,

vs.

ABILENE & SOUTHERN RAILWAY COMPANY, et al., Defendants.

COMPLAINT—Filed December 9, 1954

Comes now Chicago, Milwaukee, St. Paul and Pacific Railroad Company, named as defendant in Docket No. 31503, Sub. 1, *The Ahnapee and Western Railway Company, et al.* v. *Abilene & Southern Railway Company, et al.*, and for complaint alleges as follows:

I.

That complainant and the defendants named in Appendix A, hereto attached and made a part hereof, are common carriers engaged in the transportation of property in interstate commerce, in whole or in part, by railroad, and as such are subject to the provisions of the Interstate Commerce Act.

II.

That complainant and defendants are engaged in the transportation of property under joint through rates be- [fol. 32] tween stations in "Eastern Territory", "Midwestern Territory", and "Transcontinental Territory", as said

territories are defined for the purpose of this proceeding in Appendices "C", "D", and "E" respectively to the complaint in said Docket No. 31503, Sub 1, copies of which appendices are attached and made a part hereof as Appendices C, D, and E respectively. A copy of said complaint in said Docket No. 31503, Sub 1, (not including the appendices thereto) is attached hereto and made a part hereof as Appendix B.

That complainant's lines of railroad extend from the State of Indiana to the State of Washington, and through or into the States of Indiana, Illinois, Wisconsin, Michigan, Minnesota, Iowa, Missouri, Nebraska, North Dakota, South Dakota, Montana, Idaho and Washington. Complainant handles under joint through rates, over its lines in "Transcontinental Territory", traffic interchanged between complainant and defendants herein which operate in "Midwestern Territory". Complainant also handles under joint through rates, over its lines in "Midwestern Territory", traffic interchanged between complainant and defendants herein which operate in "Transcontinental Territory".

III.

That a controversy has arisen between certain Midwestern carriers and Eastern and Transcontinental carriers regarding divisions of joint rates on traffic between "Eastern", "Midwestern" and "Transcontinental" Territories as referred to in Paragraph II hereof, which controversy resulted in the filing by certain Midwestern carriers, herein-[fol. 33] after referred to as the "Midwestern complainants", of said complaint in said Docket No. 31503, Sub 1, in which complaint this complainant is named as one of the defendants.

That the divisions now existing between complainant and the defendants operating in "Transcontinental Territory" and "Midwestern Territory" respectively are upon the same bases as those now in effect between complainants

and defendants respectively in said Docket No. 31503, Sub 1.

IV.

That said complaint in Docket No. 31503, Sub 1, contains, among others, the following allegation:

> "7. The present divisions of the joint rates described in paragraph 3 hereof received by defendant carriers operating in Midwestern Territory which are in competition with complainants for traffic will be in need of adjustment to conform to the just, reasonable, and equitable divisions to be prescribed by the Commission in the proceeding initiated in this complaint so that undue preference and prejudice shall not result."

Although not so specifically designated by name, it is assumed, and, therefore, complainant herein alleges that it is among the "defendant carriers" referred to in said paragraph 7 above.

V.

That, if any relief is granted to said Midwestern complainants as a result of the proceeding initiated by the complaint in Docket No. 31503, Sub 1, the findings and order of the Commission should be made sufficiently broad [fol. 34] to grant similar relief to the complainant herein in respect of its traffic transported under circumstances similar to those with respect to which relief is granted to the Midwestern complainants in said Docket No. 31503, Sub 1.

Wherefore, complainant prays that defendants be required to answer the complaint herein; that this complaint may be heard, considered and disposed of at the same time and upon the same record, and in connection with the issues tendered by the complaint in Docket No. 31503, Sub 1, *The Ahnapee and Western Railway Com-*

pany, et al. v. *Abilene & Southern Railway Company, et al.;* that, if a general investigation of the matters hereinbefore referred to is instituted by the Commission, this complaint be considered and disposed of in such investigation; and that in cases where the joint rates were established pursuant to findings or orders of the Commission, the Commission determine, for the period subsequent to the filing of this complaint, what would have been the just, reasonable, and equitable divisions of such joint rates, and require retroactive adjustment to be made in accordance therewith.

Respectfully submitted,

W. J. Quinn, R. K. Merrill, Thos. H. Maguire, Attorneys for Complainant.

888 Union Station, Chicago 6, Illinois.

Dated: December 8, 1954.

[fol. 35]

APPENDIX A TO COMPLAINT

DEFENDANTS.

Abilene & Southern Railway Company
The Ahnapee and Western Railway Company
The Akron, Canton & Youngstown Railroad Company
The Alabama Great Southern Railroad Company
Alameda Belt Line
Almanor Railroad Company
Alton and Southern Railroad
Amador Central Railroad Company
Angelina & Neches River Railroad Company
The Ann Arbor Railroad Company
The Apache Railway Company
Arcade and Attica Railroad Corporation

The Arcata and Mad River Rail Road Company
Arkansas & Louisiana Missouri Railway Company
Arkansas & Ozarks Railway Corporation
Arkansas Railroad Company
The Arkansas Western Railway Company
Aroostook Valley Railroad Company
Ashley, Drew & Northern Railway Company
The Atchison, Topeka and Santa Fe Railway Company
Atlanta and West Point Rail Road Company
The Atlantic and Danville Railway Company
Atlantic Coast Line Railroad Company
Augusta Railroad Company
The Baltimore and Annapolis Railroad Company
Baltimore and Eastern Railroad Company
The Baltimore and Ohio Chicago Terminal Railroad Company
The Baltimore and Ohio Railroad Company
Bamberger Railroad Company
Bangor and Aroostook Railroad Company
Barre and Chelsea Railroad Company
Bath and Hammondsport Railroad Company
[fol. 36] Bauxite & Northern Railway Company
Beaver, Meade and Englewood Railroad Company
Beech Mountain Railroad Company
Belfast and Moosehead Lake Railroad Company
Bellefonte Central Railroad Company
The Belt Railway Company of Chicago
Bessemer and Lake Erie Railroad Company
Bevier & Southern Railroad Company
The Big Creek and Telocaset Railroad Company
Boston and Maine Railroad
Boyne City Railroad Company
Brooklyn Eastern District Terminal
Bush Terminal Railroad Company
Butte, Anaconda & Pacific Railway Company
The California and Oregon Coast Railroad Company
(C. H. Demaray, Receiver)

California Western Railroad
Camas Prairie Railroad Company
Camino, Placerville & Lake Tahoe Railroad Company
Carolina and Northwestern Railway Company
Carolina, Clinchfield and Ohio Railway
Carolina, Clinchfield and Ohio Railway of South Carolina,
Lessees:
Atlantic Coast Line Railroad Company
Louisville and Nashville Railroad Company
Cassville & Exeter Railway Company
Cedar Rapids and Iowa City Railway Company
Central California Traction Company
Central Indiana Railway Company
Central of Georgia Railway Company
The Central Railroad Company of New Jersey
Central Vermont Railway, Inc.
Charles City Western Railway Company
Chattanooga Traction Company
The Chesapeake and Ohio Railway Company
Chesapeake District
Pere Marquette District
[fol. 37] Chesapeake Western Railway
Chestnut Ridge Railway Company
Chicago and Eastern Illinois Railroad Company
Chicago & Illinois Midland Railway Company
Chicago & Illinois Western Railroad
Chicago and North Western Railway Company
Chicago Aurora and Elgin Railway Company
Chicago, Burlington & Quincy Railroad Company
Chicago Great Western Railway Company
Chicago, Indianapolis and Louisville Railway Company
Chicago Junction Railway (The Chicago River and Indiana Railroad Company, Lessee)
Chicago North Shore and Milwaukee Railway
The Chicago River and Indiana Railroad Company
Chicago, Rock Island and Pacific Railroad Company

Chicago, Saint Paul, Minneapolis and Omaha Railway Company
Chicago South Shore and South Bend Railroad
The Cincinnati, New Orleans and Texas Pacific Railway Company
City of Prineville Railway
The Clarendon and Pittsford Railroad Company
The Colorado and Southern Railway Company
Columbia & Cowlitz Railway Company
Columbia & Millstadt Railroad Company
Condon, Kinzua & Southern Railroad Company
Copper Range Railroad Company
Cornwall Railroad Company
Cotton Plant-Fargo Railway Company
Coudersport and Port Alleghany Railroad Company
Cowlitz, Chehalis & Cascade Railway
Craig Mountain Railway Company
The Dansville and Mount Morris Railroad Company
Dardanelle & Russellville Railroad Company
The Delaware and Hudson Railroad Corporation
The Delaware, Lackawanna and Western Railroad Company
Delta Valley & Southern Railway Company
[fol. 38] The Denison and Pacific Suburban Railway Company
The Denver and Rio Grande Western Railroad Company
De Queen and Eastern Railroad Company
Des Moines and Central Iowa Railway Company
Detroit and Mackinac Railway Company
The Detroit and Toledo Shore Line Railroad Company
Detroit, Toledo and Ironton Railroad Company
Doniphan, Kensett & Searcy Railway
Drummond Lighterage Company
The Duluth, South Shore and Atlantic Railroad Company
East Jordan & Southern Railroad Company
East Washington Railway Company
El Dorado and Wesson Railway Company
Elgin, Joliet and Eastern Railway Company
Erie Railroad Company

Escanaba and Lake Superior Railroad Company
Feather River Railway Company
Fonda, Johnstown and Gloversville Railroad Company
Fore River Railroad Corporation
Fort Dodge, Des Moines & Southern Railway Company
Fort Smith and Van Buren Railway Company
Fort Smith, Subiaco & Rock Island Railroad Company
Fort Worth and Denver Railway Company
Foss Launch & Tug Co.
Frankfort & Cincinnati Railroad Company
Galesburg and Great Eastern Railroad Company
Galveston, Houston and Henderson Railroad Company
The Garden City Western Railway Company
Genessee and Wyoming Railroad Company
Georgia Southern and Florida Railway Company
Grafton and Upton Railroad Company
Grand Trunk Railway System (Lines in the United States East of the west bank of the Detroit and St. Clair Rivers), comprising the following carriers:
[fol. 39] Canadian National Railway Company
The Champlain and St. Lawrence Railroad Company (Canadian National Railway Company, Lessee)
The United States and Canada Rail Road Company (Canadian National Railway Company, Lessee)
Grand Trunk Western Railroad Company
Graysonia, Nashville & Ashdown Railroad Company
Great Northern Railway Company
The Great Western Railway Company
Green Bay and Western Railroad Company
Greenwich & Johnsonville Railway Company
Gulf, Colorado and Santa Fe Railway Company
Gulf, Mobile and Ohio Railroad Company
Harriman and Northeastern Railroad Company
High Point, Thomasville & Denton Railroad Company

Hillsboro and North Eastern Railway Company
Hoboken Manufacturers Railroad Company
Holton Inter-Urban Railway Company
Hoosac Tunnel and Wilmington Railroad Company
Illinois Central Railroad Company
Illinois Northern Railway
Illinois Terminal Railroad Company
Indiana Harbor Belt Railroad Company
Interstate Railroad Company
The Ironton Railroad Company (Lehigh Valley Railroad Company and Reading Company, Lessees)
The Jay Street Connecting Railroad
Kansas City, Kaw Valley Railroad, Inc.
The Kansas City Southern Railway Company
Kansas, Oklahoma & Gulf Railway Company
Kewaunee, Green Bay and Western Railroad Company
Klamath Northern Railway Company
Lackawanna and Wyoming Valley Railroad Company (E. McLain Watters, Trustee)
[fol. 40] Lafferty Transportation Company
Lake Erie, Franklin & Clarion Railroad Company
The Lakeside and Marblehead Railroad Company
Lake Superior & Ishpeming Railroad Company
Laona & Northern Railway Company
The LaSalle and Bureau County Railroad Company
The Lehigh and Hudson River Railway Company
Lehigh and New England Railroad Company
Lehigh Valley Railroad Company
Litchfield and Madison Railway Company
The Long Island Rail Road Company
Longview, Portland & Northern Railway Company
The Lorain & West Virginia Railway Company
Los Angeles Junction Railway Company
Louisiana & Arkansas Railway Company
The Louisiana and North West Railroad Company
The Louisiana & Pine Bluff Railway Company
Louisiana Midland Railway Company

Louisiana Southern Railway Company
Louisville and Nashville Railroad Company
Louisville, New Albany & Corydon Railroad Company
Ludington & Northern Railway
McCloud River Railroad Company
Magma Arizona Railroad Company
Maine Central Railroad Company
Manistee and Northeastern Railway Company
Manistique and Lake Superior Railroad Company
The Mansfield Railway & Transportation Company
Manufacturers Railway Company
The Marcellus and Otisco Company, Inc.
Marinette, Tomahawk & Western Railroad Company
Maryland and Pennsylvania Railroad Company
Mason City and Clear Lake Railroad Company
Middletown and New Jersey Railway Company, Inc.
Midland Continental Railroad
Midland Valley Railroad Company
[fol. 41] The Minneapolis & St. Louis Railway Company
Minneapolis, Anoka and Cuyuna Range Railroad Company
Minneapolis, Northfield and Southern Railway
Minneapolis, St. Paul & Sault Ste. Marie Railroad Company
Minnesota Western Railway Company
Missouri-Kansas-Texas Railroad Company
Missouri-Kansas-Texas Railroad Company of Texas
Missouri Pacific Railroad Company (Guy A. Thompson, Trustee)
Missouri Pacific Railroad Corporation in Nebraska (Guy A. Thompson, Trustee)
Missouri Pacific Lines:
Asherton and Gulf Railway Company (Guy A. Thompson, Trustee)
Asphalt Belt Railway Company (Guy A. Thompson, Trustee)
The Beaumont, Sour Lake & Western Railway Company (Guy A. Thompson, Trustee)

Houston and Brazos Valley Railway Company (Guy A. Thompson, Trustee)
International-Great Northern Railroad Company (Guy A. Thompson, Trustee)
New Iberia & Northern Railroad Company (Guy A. Thompson, Trustee)
New Orleans, Texas & Mexico Railway Company (Guy A. Thompson, Trustee)
The Orange & Northwestern Railroad Company (Guy A. Thompson, Trustee)
Rio Grande City Railway Company (Guy A. Thompson, Trustee)
The St. Louis, Brownsville and Mexico Railway Company (Guy A. Thompson, Trustee)
San Antonio Southern Railway Company (Guy A. Thompson, Trustee)
San Antonio, Uvalde & Gulf Railroad Company (Guy A. Thompson, Trustee)
[fol. 42] San Benito and Rio Grande Valley Railway Company (Guy A. Thompson, Trustee)
Sugar Land Railway Company (Guy A. Thompson, Trustee)
Modesto and Empire Traction Company
The Monongahela Railway Company
The Montana Western Railway Co.
Montana, Wyoming & Southern Railroad Company
Montour Railroad Company
Morristown & Erie Railroad Company
Moshassuck Valley Railroad Company
Mount Hood Railroad Company.
Mt. Vernon Terminal Railway, Inc.
The Nacogdoches & Southeastern Railroad Company
The Narragansett Pier Railroad Company
The Nashville, Chattanooga & St. Louis Railway
Natchez & Southern Railway Company (Guy A. Thompson, Trustee)
Nelson & Albemarle Railway Company
Nevada Northern Railway Company

The New Jersey and New York Railroad Company (Horace Banta, Trustee)
New Jersey, Indiana & Illinois Railroad Company
New Orleans and Lower Coast Railroad Company
New Orleans and Northeastern Railroad Company
The New York and Long Branch Railroad Company
The New York Central Railroad Company
Boston and Albany District
Chicago, Kalamazoo & Saginaw District
Cleveland, Cincinnati, Chicago & St. Louis District
Eastern District
Michigan Central District
Western District
West Shore District
The New York, Chicago and St. Louis Railroad Company
The New York Connecting Rail Road Company
New York Dock Railway
[fol. 43] The New York, New Haven and Hartford Railroad Company
New York, Ontario and Western Railway Company (Lewis D. Freeman, Trustee)
New York, Susquehanna and Western Railroad Company
Nezperce Railroad Company
Norfolk and Western Railway Company
Norfolk Southern Railway Company
Northampton and Bath Railroad Company
Northeast Oklahoma Railroad Company
Northern Pacific Railway Company
North Louisiana & Gulf Railroad Company
Northwestern Pacific Railroad Company
Norwood & St. Lawrence Railroad Company
Oklahoma City-Ada-Atoka Railway Company
Okmulgee Northern Railway Company
Oregon & Northwestern Railroad Co.
Oregon, California & Eastern Railway Company

Oregon Electric Railway Company
Oregon Pacific and Eastern Railway Company
Oregon Trunk Railway
Pacific Coast R.R. Co.
Pacific Electric Railway Company
Panhandle and Santa Fe Railway Company
Paris and Mt. Pleasant Railroad Company
Passamaquoddy Ferry and Navigation Company
The Pecos Valley Southern Railway Company
Pennsylvania and Atlantic Railroad Company (South of Shrewsbury Road, N. J. to Pemberton, N. J., inclusive)
(The Union Transportation Company, Lessee)
The Pennsylvania Railroad Company
Pennsylvania-Reading Seashore Lines
Petaluma and Santa Rosa Railroad Company
Piedmont and Northern Railway Company
The Pittsburg & Shawmut Railroad Company
The Pittsburgh and Lake Erie Railroad Company
[fol. 44] The Pittsburgh & West Virginia Railway Company
Pittsburgh, Chartiers & Youghiogheny Railway Company
Point Comfort & Northern Railway Company
Port Huron and Detroit Railroad Company
Portland Traction Company (Portland Railroad and Terminal Division)
Port Townsend Railroad
The Potomac Edison Company
The Prescott and Northwestern Railroad Company
Quanah, Acme & Pacific Railway Company
Quincy Railroad Company
Rahway Valley Company (Rahway Valley Company, Lessee)
Raritan River Rail Road Company
Reader Railroad
Reading Company

Red Collar Line, Inc.
Richmond, Fredericksburg and Potomac Railroad Company
Rockdale, Sandow & Southern Railroad Company
Roscoe, Snyder and Pacific Railway Company
Rosslyn Connecting Railroad Company
Rutland Railway Corporation
St. Francois County Railroad Company
St. Johnsbury & Lamoille County Railroad
St. Louis-San Francisco Railway Company
St. Louis, San Francisco and Texas Railway Company
St. Louis Southwestern Railway Company
Sacramento Northern Railway
Salt Lake, Garfield and Western Railway Company
San Diego & Arizona Eastern Railway Company
Sand Springs Railway Company
Sanford and Eastern Railroad Corporation
San Francisco and Napa Valley Railroad
Santa Maria Valley Railroad Company
Saratoga & Schuylerville Railroad Corporation
Seaboard Air Line Railroad Company
[fol. 45] Sierra Railroad Company
Skaneateles Short Line Railroad Corporation
Smithfield Terminal Railway Company
South Brooklyn Railway Company
Southern Iowa Railway Company
Southern Pacific Company (Pacific Lines)
Southern Railway Company
Spokane International Railroad Company
Spokane, Portland and Seattle Railway Company
Springfield Terminal Railway Company (Vermont)
The Staten Island Rapid Transit Railway Company
The Stewartstown Railroad Company
Stockton Terminal and Eastern Railroad
Sumpter Valley Railway Company
Sunset Railway Company
Terminal Railroad Association of St. Louis

Texas and New Orleans Railroad Company
Texas & Northern Railway Company
The Texas and Pacific Railway Company
The Texas Mexican Railway Company
Texas-New Mexico Railway Company
Texas Oklahoma & Eastern Railroad Company
Texas Short Line Railway Company
Texas South-Eastern Railroad Company
Tidewater Southern Railway Company
The Toledo and Eastern Railroad Company
Toledo, Peoria & Western Railroad Company
Tooele Valley Railway Company
Tremont & Gulf Railway Company
Trona Railway Company
Tucson, Cornelia and Gila Bend Railroad Company
Tulsa-Sapulpa Union Railway Company
Unadilla Valley Railway Company
Union Pacific Railroad Company
Valley and Siletz Railroad Company
Ventura County Railway Company
Virginia Blue Ridge Railway
[fol. 46] Virginia Central Railway
The Virginian Railway Company
Visalia Electric Railroad Company
Wabash Railroad Company
Waco, Beaumont, Trinity & Sabine Railway Company
(T. L. Epperson, Receiver)
Walla Walla Valley Railway Company
Warren & Ouachita Valley Railway Company
Warren & Saline River Railroad Company
Warwick Railway Company
Washington and Old Dominion Railroad
Washington, Idaho & Montana Railway Company
Waterloo, Cedar Falls & Northern Railroad
The Weatherford, Mineral Wells and Northwestern Railway Company
Western Allegheny Railroad Company

Western Maryland Railway Company
The Western Pacific Railroad Company
The Western Railway of Alabama
Wharton and Northern Railroad Company
White Sulphur Springs & Yellowstone Park Railway Company
Willamina and Grande Ronde Ry. Co.
The Winfield Railroad Company
Yakima Valley Transportation Co.
Youngstown & Southern Railway Company
Yreka Western Railroad Company.

[fol. 47]
CLERK'S NOTE:

Appendix B—"Complaint in No. 31503 Sub No. 1" is omitted from the record here as it appears on side folio 1 supra.

[fol. 51]
CLERK'S NOTE:

Appendix C—"Eastern Territory" is omitted from the record here as it appears on side folio 17 supra.

[fol. 52]
CLERK'S NOTE:

Appendix D—"Midwestern Territory" is omitted from the record here as it appears on side folio 18 supra.

[fol. 53]
CLERK'S NOTE:

Appendix E—"Transcontinental Territory" is omitted from the record here as it appears on side folio 19 supra.

[fol. 54]

BEFORE THE INTERSTATE COMMERCE COMMISSION

In the Matters of:

Docket No. 31503

THE AKRON, CANTON & YOUNGSTOWN RAILROAD COMPANY, et al.

v.

THE ATCHISON, TOPEKA & SANTA FE RAILWAY COMPANY, et al.

Docket No. 31503 (Sub No. 1)

THE AHNAPEE & WESTERN RAILWAY COMPANY, et al.

v.

THE ABILENE & SOUTHERN RAILWAY COMPANY, et al.

Docket No. 31503 (Sub No. 2)

CHICAGO, BURLINGTON & QUINCY RAILROAD COMPANY, et al.

v.

THE ABILENE & SOUTHERN RAILWAY COMPANY, et al.

Docket No. 31503 (Sub No. 3)

CHICAGO, MILWAUKEE, ST. PAUL & PACIFIC RAILROAD COMPANY

v.

THE ABILENE & SOUTHERN RAILWAY COMPANY, et al.

[fol. 55]

Docket No. 31503 (Sub No. 4)

LOUISVILLE & NASHVILLE RAILROAD COMPANY

v.

THE AKRON, CANTON & YOUNGSTOWN RAILROAD COMPANY, et al.

Hearing Room "A",
Interstate Commerce Commission,
Washington, D. C.,
Tuesday, October 4, 1955.

Met, pursuant to adjournment, at 9:30 a.m.

Before: Howard Hosmer, Examiner, and Oren G. Barber, Examiner.

Also Present: Charles H. Manoogian, Examiner.

• • • • • • •

[fol. 56] L. E. BUTLER was recalled, having been previously duly sworn, and was examined and testified further as follows:

• • • • • • •

[fol. 57] Cross examination.

By Mr. Curry:

[fol. 58] Q. You have testified that as far as the particular mechanics of this is concerned, your only interest is that the east obtain the 30 percent of the aggregate revenue.

You do add the qualification, do you not, that whatever the mechanics, the division should be subject in the case of [fol. 59] individual movements to a minimum of 15 percent?

A. That is correct.

Q. Will you please state for the record the reasons which you have to offer in support of a minimum provision in connection with an integer scale?

A. One of the reasons is to yield an adequate revenue.

Q. To what?

A. Yield adequate revenue.

Q. Well, assuming that you are going to receive a fair proportion of the aggregate revenue and will take 30 percent, just because that is the figure you used, is there any reason why after you have assured yourself that you are going to get a fair proportion of the total revenue, to why the 15 percent minimum should be applied in connection with an integer scale in determining that, spreading that amount?

A. There are many reasons why you should. 30 percent is simply an average of the revenue to the east, and in many instances, the eastern railroads would not get as much as 30 percent, and in other instances, they would get more. It is the average.

Q. Certainly. Now in other words, a 900-mile carrier in the east will get more than 30 percent, and under your proposal, and the railroad going to South Bend, would get less than 30 percent and the average would be 30 percent?

A. That is right.

Q. Why is it, having been assured just for the purpose of [fol. 60] this line of questions, that you are going to get a fair—we will use 30 percent as fair in your understanding of it—that you are going to get a fair proportion of this aggregate revenue? What concern is it of yours that individual movements have a minimum applied?

A. I think I answered you, to give you aggregate revenue east. When you come down to 6 percent of the revenue, you don't get enough out of it to perform the terminal services, if you originate or terminate it one or the other.

Q. It is possible, is it not, to devise a scale of integers that without the application of any 15 percent minimum pro-

vision, will give the east 30 percent of the revenue? That is possible, isn't it?

A. That is possible to do that. It is possible to devise integers that would give to the eastern lines not less than 15 percent of the through revenue, too.

Q. If you had integers which were so designed as to give you 30 percent of the aggregate revenue, do you take any position as to whether there should or should not be a 15 percent minimum?

A. That is a part of our eastern railroad proposal, individual simply subject to a minimum of 15 percent.

Q. Do you offer any reason why if an integer proposal will alone and without any 15 percent minimum, give you 30 percent of the revenue, why you should have a 15 percent minimum on individual movements?

[fol. 61] A. The best reason I know of is to give you revenue that would justify joining in the rate.

Q. Let's go around at it the other way. You have got some short-haul lines and you have got some long-haul lines in the east and if your eastern carriers as a group are going to get 30 percent of the money, isn't it a matter simply between the C&EI and the Lackawanna as to whether there is a 15 percent minimum or whether the east gets it in some other form?

A. I don't think that enters into it at all.

Q. Let's try it from another tangent. An integer scale has in it, and I am speaking of either the two integer scales you put in or any integer scale, based on cost or otherwise, it has in it an allowance or a figure for terminal service, does it not?

A. That is right.

Q. It doesn't start at zero for the originating carrier?

A. It has a certain amount in it for terminals, the first 50 miles.

Q. If that scale has enough allowance in the scale, itself, to compensate the terminal carrier for his terminal handling, why would you have to add to that type scale the provision for a 15 percent minimum?

A. To give you adequate revenue.

Q. The premise of my question, Mr. Butler, and if you [fol. 62] challenge the premise, I would appreciate your telling me wherein you do, the premise of my question is that an integer scale can be properly constructed to give an allowance to the terminal carrier right in the scale, itself, that protects and gives credit to the terminal service of that terminal carrier.

That can be done, can it not?

A. Yes. It can be done.

Q. You can construct a scale which will give enough to the terminal carrier to protect his terminal service. If that is done, what need is there for a minimum?

A. The need of it is to protect the revenue you are going to get out of the shipment. If the scale is high enough to yield as much as 15 percent, then there might not be any need for specification of a 15 percent minimum, but I haven't seen any scales yet but these two different distances, two thousand miles in the west and 50 miles in the east, that will do it.

Q. You say you haven't seen a scale yet that will do it. Aren't you really saying that you insist upon a 15 percent minimum because any integer scale you have ever seen is mal-constructed and improperly constructed and doesn't give enough credit to the terminal carrier?

A. I wouldn't say that.

Q. There wasn't any 15 percent minimum prescribed in the 1939 official Southwestern and Southern cases, was there?

Exam. Hosmer: Yes, there was.

[fol. 63] The Witness: Yes, there was.

Exam. Hosmer: Yes, indeed.

* * * * * * *

[fol. 64] Thursday, October 6, 1955.

* * * * * * *

[fol. 65] H. A. MINTZ was sworn and testified as follows:

Direct examination.

• • • • • • • •

[fol. 66] Mr. Hamilton: Work papers of this witness are available to counsel, or any of the parties. I will offer any other—do any other counsel have examination?

I will offer in evidence exhibits identified as MW-64 to 74, inclusive.

Exam. Hosmer: I hear no objection. The rule will be, then, and it is as you know, that if the exhibits are not objected to they are received automatically.

(Complainants' Exhibits Nos. MW-64 to MW-74, inclusive, Witness Mintz, were received in evidence.)

Exam. Hosmer: That is all, Mr. Mintz.

• • • • • • • •

[fol. 67] Thursday, January 12, 1956.

• • • • • • • •

[fol. 68] Mr. Hamilton: I offer in evidence the exhibits identified as MW-139 and MW-140.

Exam. Hosmer: There being no objection, they will be received.

• • • • • • • •

[fol. 69] Cross examination.

By Mr. Curry:

Q. Now, going down to H—H is, as I understand it, the 29866 scale, 1 applied to the East and West and scale 2 to the Midwest?

A. That's right. That's correct.

Q. Now, I think you explained in your testimony, and it is a fact, is it not, that the difference between the column 1 scale and the column 2 scale—is that 26?

A. Twenty-six integers.

Q. Twenty-six integers representing one terminal factor is taken out; and that after the first 50 miles, the scale starts at 50 miles, the progression per 50 miles is 12; isn't [fol. 70] that true?

A. Twelve, with two breaks—I think one at 350 miles and another at 1,600 miles.

Q. That's right. In other words, 13 in a couple of places there to sort of keep the line straight. Now, as a matter of possible clarification I have a little chart—

Mr. Curry: —that I have made up here, Mr. Examiner, that I would like to use to ask some questions, and if agreeable, I would like to have that marked for identification as an exhibit.

Exam. Hosmer: MW-141.

Mr. Hamilton: May I suggest that you use Mr. Curry's symbol?

Exam. Hosmer: That will be T-141. You are right.

(Defendants' Exhibit No. T-141, Counsel Curry, was marked for identification.)

By Mr. Curry:

Q. Now, in the light of your experience and full knowledge about such matters, Mr. Mintz, I would like to ask you a few questions about this Exhibit T-141. You will note that this is divided into two parts. The upper part is called Column 1 and the lower part Column 2. Now, on the right-hand side of the column 1 part are shown miles, beginning at 50 with the integer of 65, and then a number of mileages are shown which show this progression of 12 with an occasional 13; isn't that right?

[fol. 71] A. That's correct.

Q. That is about right, isn't it? Now, as illustrating that on the left-hand part there is this little diagram which was an attempt by me to separate what you might say are the terminal factors and the line haul factors. Now, taking the 50 mile block that is shown to be 65-integers, is it not?

A. Correct.

Q. And the terminal factor is 26, is it not?

A. Yes, sir.

Q. So that that would leave 39 for the line haul for the first 50 miles, you might say. And that would mean that that line haul of 39 is 27 more than the line haul factor of 12 which runs on out beginning at 50; wouldn't that be true?

A. That is the difference.

Q. Now, let's look at column 2. That is just below it. First, we will look at the figures on the right-hand side and the mileages correspond to those in column 1—now, that starts with integer, instead of 65, an integer of 39, does it not?

A. Yes, sir.

Q. And the reason for that is that the 26 has been taken off. Comparing the diagram to the left with the diagram above it can be seen that that 26 is just skimmed off, which leaves the same scale except that is gone; isn't that what it really amounts to?

[fol. 72] A. That's right.

Q. And here you have for the first 50 miles, you have a line haul progression of 39 just as in column 1, with progression after 50 miles for 12 of each block for 50 miles; isn't that true?

A. That's correct.

Q. Now, to go back just a moment, you know, of course, that column 1, and therefore, column 2 are based on Appendix 18 in the class rate scale for the first 50 miles, do you not?

A. Mathematically, that is the figure, yes.

Q. And that 26 was taken off of the 28300 scale at 50 miles, then at 1,600 miles, and then practically a straight line was drawn between the two with a uniform progression of about 12?

A. That is the way the 29886 scale appears on the surface.

Q. And therefore, being taken directly from that 28300 scale for 50 miles you might say the line haul progression there is the same, that is, the line haul progression is 39, is it not, which you could figure by taking from 91, which is the 50 mile figure—52—which would cover both terminals, that would leave 39?

A. You are talking about the 29886?

Q. I am talking about the 28300.

A. The 28300, and you are talking about the first 50 mile block?

[fol. 73] Q. That's correct.

A. Your statement is correct.

* * * * * * *

[fol. 74] By Mr. Curry:

Q. Didn't the Commission in its report in 28300 in 262 ICC say: "A comparative study and analysis of the construction of various class rate scales prescribed by us shows that usually they were the pattern in which the greatest rate of progression was in the first 75 miles. The purpose was to reflect the relatively expense service furnished by way freight trains. Beyond 75 miles progression was of a more moderate rate to reflect the relatively lower cost of through freight service."

A. Well, you are quoting from the Commission's—

Q. I am, yes.

A. —opinion, and surely, that is what they must have said.

Q. And you remember something about that, I assume?

A. That's right.

Q. Would you remember that the Federal Coordinator, in issuing studies as to cost scale, pointed out that the cost for the first 50 miles was higher than thereafter because of the way freight cost?

A. I don't know that he said because of the way freight cost. It is common knowledge that the first 50 miles would be higher because of the impact of the terminal service.

[fol. 75] Q. You mean the way train service?

A. I am not speaking of way trains. I am speaking of terminal service.

Q. We are taking the terminal service out. We are not talking about the terminal service now.

A. Then what was your question?

Q. The question was whether you remember the Federal Coordinator's study in 1936 with the explanation that this cost scale at the first 50 miles is figured at the fixed terminal cost plus the cost per mile for way train and other train costs after the first 50 miles, way train and other train service for the first 50 miles, and after the first 50 miles all additional distance is figured at a per mile through train cost. In other words, you remember those studies that dealt with that?

A. Well, I will have to frankly say I don't remember them.

Q. Well, have you any familiarity with, or do you remember the statements by the Commission's cost finding section to the effect that the average way train movement of all freight traffic in each territory was, for the Eastern District, 26 short line miles; for the Pocahontas it was 31 short line miles; for the Southern Region, 42 short line miles; and the Western District, 56 short line miles; which involved, of course, the distances at both ends of the hauls?

A. I will have to again say I may have read that state-
[fol. 76] ment, but I don't remember it. You are reading from what the Commission said in certain opinions. I think those opinions would speak for themselves.

Q. Well, I was reading then merely from the cost section's study statement No. 2, of May 1955. Now I will ask you this, having asked you those other questions:

Mr. Curry: Mr. Examiner, I am departing now from those statements.

Exam. Hosmer: All right.

By Mr. Curry:

Q. Isn't it a fact that there is no way train service in connection with the intermediate hauls performed by the Midwest carriers as to traffic between East and West?

A. I would hazard that if there were any way train service it would be to a very minor extent.

Mr. Curry: Mr. Examiner, if I may have your indulgence and have this document marked for identification—

Exam. Hosmer: Exhibit T-142.

(Defendants' Exhibit No. T-142, Counsel Curry, was marked for identification.)

Exam. Hosmer: We will take a ten-minute recess.

(Short recess.)

Exam. Hosmer: We will resume the hearing.

By Mr. Curry:

Q. Mr. Mintz, I have handed you a couple of diagrams on a single sheet marked as Exhibit T-142. By looking at [fol. 77] it in connection with this example I questioned you about on page 20 of your Exhibit MW-71, I think you can see what, in general, this is. Now, in your exhibit on page 20 you show the situation as to traffic between Pittsburgh and Los Angeles via Chicago and Council Bluffs. Now, in this chart on the upper part of the page there is, in a way, a continuation of the chart that was shown on T-141 in principle, as I think you can immediately recognize, can you not?

A. Yes, sir.

Q. Taking the East, for example, under that break there, you see 455 miles, which would be the 455 miles for the East shown in your exhibit; and that would be between Pittsburgh and Chicago, I take it. Then for the Midwest, right under the next break, you see 473 miles, which would be the 473 miles in your exhibit; and in the west it is 787 miles?

A. That—

Exam. Hosmer: 1,787.

Q. —1,787 I meant to say. That is clear, isn't it? Now, looking at the East you will see that 12 is shown there with the broken line; you will understand that that progression beyond the first 50 miles is 12. That is clear enough to you, is it not, Mr. Mintz?

A. Yes, sir.

Q. So that in the East we have the terminal of 26 and 39 [fol. 78] for the first 50 miles, isn't that true, made up of 27 and 12?

A. In other words, that is the prorating factor in 29886 for the 50-mile block.

Q. That's right. And then that runs up to—12—up to the integer for 454 miles, which is 174, which you can check against the scale if you care to. Then likewise, between Chicago and Council Bluffs, the Midwest, is 473 miles; the integer for that is 148, under the column 2 scale, because that is an intermediate haul, and you used column 2; isn't that correct?

A. That's correct.

Q. Now, since, as we explained, and as you have indicated, the column 2 integers are derived from the column 1 by taking off the terminal, you can see in this little segment between Chicago and Council Bluffs that the 26 is omitted, and we have for the first 50 miles 27 plus 12, or 39. That is what it would amount to, is it not?

A. That's right.

Q. And then that would run 12 on out until you find for the integer for 473 miles, 148, which can be checked easily against this scale. Now, for the West, since that is between Council Bluffs and Los Angeles, since for that portion of the haul a terminal is involved, you find the full 65 at that end, just as you did at the East end. Wouldn't that be true?

[fol. 79] A. That's correct.

Q. And that would be made up of the 26 terminal and the 39 for the first 50 miles or the last 50 miles, whichever way you want to look at it.

Now, your exhibit doesn't set forth those integers, but the percentages that you show under H are the percentages derived by that method. Isn't that true?

A. That is a correct statement, and it checks with the figures you have on your chart.

Q. Yes. So then we get, for the East, 21.5, for the Midwest, 18.3, and for the West 60.2.

Now, since under my hypothesis in my questioning and your answers it appears that there is no way train service in this intermediate haul, and since 27 seems to be included there for way train service under these computations immediately under the chart, there is Midwest removal of this 27 figure there; and if that were done you would use the same integer for the East, would you not—174; and for the Midwest, if you took the 27 off the integer it would be reduced from 148 to 121, would it not?

A. That is the mathematics.

Q. And then the West would remain the same. Now, if that were done the Midwest Percentage would be reduced from 18.3 to 15.5, would it not?

A. Yes. You could reduce that intermediate integer [fol. 80] further, and you would get a different percentage. I don't, in other words, agree with you that your approach is proper, that you should take the 26 integers off the intermediate service under the column 2 provision of 29886 order and then go ahead and take off another 27. That is what you are doing, in effect. I look at it as a mathematical computation; and you could take any other figure and do the same thing.

Q. I want to explore it a little more than that, Mr. Mintz, as a matter of principle. The first 50 miles in the East, for example, when you start out, contain the terminal of 26 and a line haul of 39; isn't that true?

A. That is what they add up to, yes, sir.

Q. And all the rest of the movement is in the East—it is practically 12 every 50 miles?

A. That's correct.

Q. Now, isn't that extra 27 there over and above the 12, isn't that because of way train service?

A. I wouldn't undertake to say that it was. I would say that in connection with your column 2 scale that if we are going to get a comparable arrangement for the intermediate service, that what you do is, you take off one more integer, group of integers to represent the originating and terminating service, but you don't go ahead and take off some integers, and that is, in effect, what you are doing.

Q. Yes, but isn't it—

[fol. 81] A. We are following what the Commission, in effect, has prescribed in Docket 29886.

Q. I know the Commission has done that; but the Commission also has made perfectly clear that it makes these scales to assert the facts in the particular case, and that you must consider those facts, and here it is submitted, as I understand it, that there is no way train service in this intermediate service, and therefore, this 27, according to that, would appear to be a piece that ought to be taken off.

A. Well, you can make that statement. I can't subscribe to it.

Q. What do you think the 27 is for, that extra 27?

A. I don't know that there is any extra 27. I would say that that 27 was in there reflecting that which falls into the line haul service after you take your deduction for your terminal service, which is 26.

Q. Well, taking this chart, for example, from Chicago to Council Bluffs, beyond the first 50 miles, the amount of progression is 12, is it not?

A. That's correct.

Q. For the first 50 miles it is 39. And how would you account for that 39?

A. Well, I say the only way I could account for the 39 is the way I have accounted for it. You take off your terminal, [fol. 82] and then you have a remainder there of 39 which represents the service for the first 50-mile block.

Q. Well, do you that that the service—

A. You take off 12, as I understand it—you are taking off an additional 12.

Q. No, taking off 27.

A. Sir?

Q. Taking off 27.

A. But you are taking 12 off of the 39 to arrive at the 27.

Q. Yes.

A. You are taking that off because that is the progression in the scale beyond the first 50-mile block.

Q. That's right. You don't agree with that?

A. No.

Q. You don't think that 27 should be taken off?

A. No, not in connection with the application of these divisions.

Q. And you don't know what the 27 is for, that extra 27 is for?

A. I know how you get the 27. I can't say that I know what it is for.

Q. Would you say it is not for way train service?

A. I don't know. There is more involved than way train service in connection with this transportation service.

Q. Well, if between, say, Council Bluffs and Los Angeles [fol. 83] there are several interchanges, the 12 progression will run all the way across, wouldn't it?

A. It does under 29886.

Q. But here in this intermediate haul the 27 addition is added on, isn't it?

A. Well, take the first example—we have an intermediate service between Council Bluffs and Ogden; you have your 12 integers all the way across, as well as beyond Ogden to San Francisco. In other words, the 29886 scale grades on the basis of 12 integers for each 50-mile block.

Q. But in this Midwest you get something extra; you get 27 extra, and you don't think that is way train?

A. No, I don't.

Q. Or do you know?

A. I don't know.

Q. Well, now, looking at this next diagram, I take it that —that is the lower part—you find that? Well, before leaving the upper diagram, this would make considerable difference, would it not, in the apportionment of the division as to whether it did include that hump of 27, what I call a hump in the Midwest, or would take it off, wouldn't it?

A. Well, your exhibit shows that.

Q. And there is no question about that mathematically, I take it?

A. That's right.

[fol. 84] Q. Now, in the lower part of the exhibit the situation is illustrated much as in the upper part, except there the Midwest is broken into two parts; isn't that true?

A. That's correct.

Q. In other words, on page 36, for example, of your exhibit here referred to, between Pittsburgh and Los Angeles via Chicago—Council Bluffs and Denver, through Odgen, you show 454 miles for the East, and that is shown on this chart, is it not, between Pittsburgh and Chicago? Then you show 473 miles as the Eastern part of the Midwest, and that would be from Chicago to Council Bluffs, I take it?

A. That's right.

Q. And then from the Western part of the Midwest is from Council Bluffs to Denver, of 542 miles; then the West is 1,252 miles?

A. Those are the correct figures.

Q. And then simply apply the integers for those distances, being the column 1 integers for the East and West, as I take it, and the column 2 for the Midwest?

A. That's correct.

Q. Now, when that is done, as this exhibit will show, for each of those intermediate services, say, from Chicago to Council Bluffs and from Council Bluffs to Denver, there is a different computation, so that in determining those separate integers, so that the 27, whether you agree to it or not, the 27 is in there just as it is shown in this chart?

[fol. 85] A. Well, your chart shows that you have taken off of the intermediate factor 27; as a result of that you get these per cents. In other words, the situation in the lower part of your exhibit is really no different than the upper part of the exhibit, except that you have two breaks west of Chicago instead of one.

Q. And have 27 added in twice below as against 27 added in once above?

A. That's right.

Q. And then that would break certain percentage differences if you take the 27 off as shown in the lower part of this table, as I take it?

A. That's right.

Q. Which would be a mathematical calculation?

A. Yes.

Q. Now, in view of all this work you have done, these many thousands of computations, I won't try to go through each one of these, but we are dealing here with principle, and what I have done or tried to do through this chart in respect to these particular movements would be true as to almost any of these groups in principle—in other words, we might not agree on this 27, but the same general principle would follow, would it not?

A. That is where you have an intermediate service involved between the separate groups of carriers, that—the [fol. 86] answer to your statement is that it would be.

Q. And if you take the 27 off, naturally, why, the intermediate proportion would be less and the other end would be somewhat greater if there were two 27s—that would mean that the intermediate would be still less and the two ends would be somewhat greater?

A. Yes.

Q. Well, then, as I understand it, Mr. Mintz, you have applied this 29886 scale to column 1 and column 2, and you have included this 27 that we have talked about in the intermediate hauls either once or twice, depending upon

whether it breaks, and you don't know whether that 27 is because of way train service or not?

A. I don't know. I think I told you that I wasn't familiar with the statement made by the Coordinator of the Commission in that respect.

Q. But if there were no way train service, as I understand there is none as between the East and the West on these Midwest Lines, and this 27 is in there for way train service, then that ought to come out?

A. Well, I wouldn't agree to that statement. I don't know just where this train service fits into the picture, but I don't think it belongs here, because to me it is just another method of pulling down the intermediate factor below that which is reflected by taking out the originating and terminating [fol. 87] service. I couldn't subscribe to your statement.

Q. But you don't know what the 27 is for, do you?

A. No.

* * * * * * *

[fol. 88] Saturday, January 14, 1956.

* * * * * * *

[fol. 89] Mr. Hamilton: I offer in evidence Exhibits MW-149 through MW-153.

Exam. Hosmer: They will be received in the absence of objection.

(Protestant's Exhibits Nos. MW-149 through MW-153, Witness Carpenter, were received in evidence.)

* * * * * * *

[fol. 90] Wednesday, June 6, 1956.

[fol. 91] H. A. MINTZ the witness on the stand at the close of the previous session, resumed, and testified further as follows:

Cross examination (resumed).

* * * * * * *

[fol. 92] By Mr. Curry:

Q. Now, the next page, (E), has reference to your showing there that, that first table from Pittsburgh to San

Francisco, the miles are taken from your exhibit and the proposals are taken from your exhibit and the costs shown in the second column are taken from Mr. Carpenter's Exhibits. Now, if you compare that—had better give his exhibit number—151—now, if you compare the showings made, say, in that first part of the exhibit on the first column it shows East; Midwest, West, and East and West; it shows the miles. Now, if those miles are used in connection with Mr. Carpenter's exhibit the figures are as shown there and the per cents are in the third column—now, your proposal for the Midwest-East, for example, would be 15 per cent. Mr. Carpenter's figures would show only 9.3 per cent. And the present is 9.7 per cent, or, as in your proposal, 15, that is, not counting the 15 per cent would be used would be 12.8 per cent, and 9.3 per cent as shown by [fol. 93] Mr. Carpenter. Have you any explanation for that?

A. In my own opinion costs are not controlling with respect to setting up a basis of divisions. Costs are one of the factors which I understand the Commission considers. As I view the costs which have been presented they indicate to me that there isn't a sufficient difference in the costs as between the groups of carriers involved to warrant a divisions basis other than one that would give the carriers involved a fair and equitable basis of divisions and would tend to the prescription that I call equal factors for prorating purposes.

Mr. Smith: I wonder if we could have that answer read?

Exam. Hosmer: May I interrupt here, gentlemen, to shorten this? Isn't this simply another illustration of the point that we had in all these divisions cases, that the cost scales are made on a constant line haul progression, and wherever you use the scale of prorating factors they haven't been based on that, and a showing of that kind will always be made where you have a difference in the progression that you used in the scale. Why can't we just stop and say that is the situation here, as I understand it to be. That is

shown; it exists; and it is inevitable, and that is the reason for it. Now, whether it is right or wrong, whether the progression in the final analysis should be different from what is proposed is something else. That is a matter that will be taken into account in the ultimate decision in this case, if [fol. 94] we find that the present divisions are wrong. Why can't we just shorten it and leave it that way.

Mr. Smith: Would it disturb the Examiner if we had this last answer read?

Exam. Hosmer: I wanted to get to that first. Now read the answer.

(Answer read.)

Mr. Smith: It doesn't make sense to me; maybe it is plain to everybody else.

Exam. Hosmer: Proceed with the cross examination.

Mr. Curry: Mr. Examiner, I would just like to bring this one thing out here:

By Mr. Curry:

Q. In this exhibit that Mr. Carpenter had presented as 151 it purports to make a cost statement for certain mileages and it contains a statement "as to the Midwest, does not include origin or destination terminal handling." So you had under that in using this scale that he has there that he has taken out the origin and terminal handling in figuring out the intermediate costs.

A. I don't know whether this is the particular exhibit or not, but I think he shows in his exhibit costs on overhead traffic to and from the East where he doesn't include the terminal and originating expense, and then he also—

Q. This is the exhibit (indicating); you can look at it.

A. That is what I have in mind. Here he shows two [fol. 95] columns, one captioned "Official" which is the overhead traffic, and the other captioned "Miswest," which is the traffic originating and terminating in Midwestern territory.

Q. I am talking about the Transcontinental between the East and the West.

Mr. Curry: My only question before leaving that, Mr. Examiner, I didn't want to go contrary to the Examiner's ruling—

Exam. Hosmer: I am not ruling; I am just suggesting a method which I thought might expedite the hearing. I am not here to interfere with the questions.

Mr. Curry: That table and the ones which follow, which I won't press because they are along the same lines, would seem to indicate that using Mr. Carpenter's scale which, in itself, we think, is subject to many objections, but using that scale it would appear to impeach your scale; but you don't think it does?

The Witness: No, I don't think the two are directly related, because Mr. Carpenter's exhibits merely present one factor that would be a consideration by itself, and I believe the Commission, in the construction of divisions—

By Mr. Curry:

Q. Well, could you just glance at those other pages, and you would conclude that if his statement were used it would show, would it not, that the Midwestern lines, that is, his costs, were used, that they would receive a considerable less amount than you show under your proposal?

[fol. 96] Mr. Hamilton: You mean in all instances or just in the instances in this T-204?

Mr. Curry: That would be in (c)—no, not in (c)—

Mr. Hamilton: My point is, you are only asking him about this exhibit, T-204, and not about instances not in this exhibit?

Mr. Curry: Just pages (e) and (e-2), just those two pages.

The Witness: Your figures show that.

* * * * * * *

[fol. 97] Q. Mr. Mintz, in your Exhibit MW-140, page 1 you say, in connection with your proposal:

"In no case should a primary division be less than 15 per cent."

So that you have made something of a point all the way through here that there would be a 15 per cent minimum division. That is true, isn't it?

A. That's right.

Q. I assume that you have given some study to this matter. Can you refer to a single decision of the Commission in which it has indicated why a 15 per cent minimum would be permissible or proper?

A. I don't recollect whether the decisions gave the why or the reason for it; but the Commission in connection with practically every divisions case that they have had prescribing a scale of prorating factors has prescribed a minimum of 15 per cent or something higher.

Q. When you make that statement, have you given consideration to the Western Trunk Lines-Southwestern case in 15234, in 1928, 148 ICC 157?

A. I don't just recollect whether they prescribed the 15 per cent minimum in that case or not. In the 15234 case the Trans-Missouri territory and Western Trunk Line ter-
[fol. 98] ritory, they prescribed a minimum of 25 per cent and 15 per cent, depending on the territory involved. In 29886 and 29885 they prescribed minimum of 15 per cent, and in 28277 they prescribed a minimum of 15 per cent.

Q. I want to ask you about those in a minute; but I want to ask you first about this case in 148 ICC 157 decided in 1928. In that case the fact is they did not prescribe a minimum, isn't it?

A. I don't just recollect. If you say that you have examined the decision and it does not prescribe a minimum of 15 per cent, why, that would be the fact.

Q. And isn't it true that in 1939 when another important case came up, or two cases, the Southwestern-Official divisions and the Official-Southern Territories, that is in 234 ICC, isn't it true there that there was no 15 per cent minimum prescribed?

A. I would have to examine that report. It seems to me, in that particular case in the supplemental order the Commission did prescribe the 15 per cent minimum.

Q. I don't know of any such case; but if they did that will rightly speak for itself. But in that case did not the Commission criticize a previous decision, or rather, a rate basis that they dealt with in a previous decision which was based on mileage plus a factor, a percentage for mileage? In other words, they came to the conclusion that the way [fol. 99] to handle it was to have an integer scale that would take into account the terminal service so it wouldn't be necessary to have 15 per cent?

A. The Commission in that case did prescribe what you term an integer scale; I call it a scale of prorating factors; and did depart from the mileage prorate which they had used in their first order in that same case.

Q. Now, in the 28277 case which we have discussed at some length, isn't it true that the agreement under attack there provided for a constructive mileage prorate with a 120 mile allowance, and also, a 15 per cent minimum provision, and in that case the attack was on the former and not on the 15 per cent, and the Commission put that 15 per cent in without any discussion of it and without any real controversy about it?

A. Well, I don't like to say that I don't think you are correctly informed about what was under attack in 28277. There wasn't under attack in 28277 a scale of divisions that was predicated upon mileage subject to an inflation. Those were the divisions that applied with the lines that subscribed to what is now known as the WLDS 500 basis of divisions. The complainants in 28277 never accepted—

Exam. Hosmer: Now, all that history we are very familiar with; you don't need to go into it, Mr. Mintz.

The Witness: All right.

Exam. Hosmer: He has answered the question.

[fol. 100] By Mr. Curry:

Q. Now, as to this last case, Official-Southern, the last Official-Southern, 28995 and 28996, the Commission provided for a 15 per cent minimum in those cases, but did it there discuss that or give any reasons for it?

A. I don't recollect that they gave any reason for the 15 per cent minimum. They prescribed it.

Q. And in that case isn't it true that it was unlike this case in that there were, say, in the Official-Southern, there were only two groups involved and that was true as to Official-Southwestern except as to a small percentage, perhaps seven or eight per cent of the traffic that moved through Southern territory?

A. That's correct.

Q. And in a case like that the 15 per cent wouldn't assume the importance that it does here where you make these breaks, these short breaks, would it?

A. The 15 per cent is always important to the line that happens to be the short haul carrier.

Q. And is it your theory that if an integer scale is properly formed and determined upon to take into account terminal service that you still should have 15 per cent in addition to that kind of a scale?

A. Yes, sir; that is our proposal.

Q. Why is that?

[fol. 101] A. Because of the fact that we believe that a line performing a short haul service is entitled to a minimum revenue for that service. It has embedded in that service what you might call a standby arrangement. The plants are all there. They perform a service, and they must be reimbursed for that service. I always believed that a carrier performing a long haul service is in a position to get more money than is a line who performs a minimum service; that when it comes to a line that would get less than 15 per cent or get a division that is merely its terminal allowance plus the few miles' service that it

might perform, I don't believe such a line could live off of divisions of that character.

Q. Well, isn't it your view, or is it your view that the Commission in its dealing with integers and integer scales intended—of course, you don't know what the Commission thought or anything of that sort—but isn't it reasonable to infer—I am talking about the inference, that the Commission intended in prescribing those scales to take into account the terminal service, and therefore provided for an allowance in the scale itself, the 50 mile scale, for example, 50 mile block, to take into account the terminals?

A. It seems to me that is belied by the fact that they did prescribe a minimum of 15 per cent.

Q. Your inference is, then, they did not intend to cover the full amount of terminal service in the scale itself, but [fol. 102] they intended, they thought that that was not enough and they added 15 per cent?

A. Well, it would seem to me that that would follow under the fact that the Commission did prescribe a scale of prorating factors, and also prescribed a minimum of 15 per cent.

Q. In those two cases, those two recent cases there was very little controversy about the 15 per cent, was there?

A. I did not directly participate in either of those cases.

Q. Now, take this situation: Those cases, the mileages involved were very much less in those hearings, were they not, that is, the total rates, for example, from east to west?

A. That's correct.

Q. Now, it might make a great deal of difference, might it not, whether it is 15 per cent, say, of $400 or 15 per cent of $800, might it not?

A. I think the calculations, making the calculations would indicate that.

Q. So that if you have a longer mileage then the 15 per cent might have the effect of giving the short haul carrier relatively very much more than might have been contemplated in those two cases, 29886 and 29885, might it not?

A. There is that possibility.

Q. Now, by cutting up the West with numerous breaking points, three breaking points, for example, and a short haul from Chicago to the Missouri River or Mississippi [fol. 103] River interchange points to Missouri River points, the general effect of that has been to bring about the application of the 15 per cent, hasn't it?

A. No. You would get the 15 per cent minimum, I believe, no matter how you treated the territory. It might not come into play to the extent—to the same extent.

Q. Now I will turn to this illustrative exhibit, T-204, the last page, (h). Now, that deals with a shipment from Boston to San Francisco via East St. Louis, Kansas City, Avard, Oklahoma. That is a long haul shipment from Boston to San Francisco. Now, under the 28277 scale if you assume a thousand dollars in revenue, so you will have dollars there rather than percentages—of course, you can work those easily in percentages as indicated in the lower part of the exhibit—in the East St. Louis-Kansas City bridge the percentage of miles would be eight; the revenue would be 15 per cent; and without the 15 per cent minimum it would be 11 per cent. And if you look at the amounts of money, the proposed increase in money would be over the present revenue would be 83 per cent. Under your proposal, or 34 per cent without the 15 per cent minimum. Now, does that look to you as if it were out of line and unreasonable?

A. No, sir. In other words, it is just a part of the whole proposal.

* * * * * * *

[fol. 104] Redirect examination.

By Mr. Hamilton:

Q. Mr. Mintz, on this 15 per cent minimum, is it customary in making freight rates to have a minimum charge to be paid by the shipper either in the form of a minimum

[fol. 105] charge per car or a minimum carload weight which he has to pay for even though he doesn't have that much weight?

A. I think all carload rates are subject to minimum weights and some to minimum charges; less carload traffic is subject to a minimum charge.

Q. And if the rate scale is in mileage blocks of ten miles and he ships only one mile, you charge him for ten miles; is that right?

A. That's correct.

Q. Under our proposal is there any distinction made between any of the groups of carriers in the application of the 15 per cent minimum?

A. No, sir.

Q. You apply it for the Transcontinental lines and for the Eastern lines as well as for yourself?

A. Yes, sir.

Q. And does it come into play quite often in connection with Transcontinental lines?

A. It doesn't come into play so much with the Transcontinental lines—having in mind the originating and terminating territory—it does come into play over the northern Transcontinental routes in computing the divisions over these peg points in that—take Spokane, for example, on Eastern traffic is subject to a minimum of 15 per cent up to the peg point.

Q. And would it come into play also for the Eastern lines [fol. 106] at destinations and origins in Illinois a short distance east of St. Louis and destinations and origins in Indiana and Michigan, a short distance east of Chicago?

A. Yes, sir.

* * * * * * *

[fol. 107] Thursday, June 7, 1956.

* * * * * * *

[fol. 108] H. J. BEARSS was sworn and testified as follows:

Direct examination.

By Mr. Smith:

Q. What is your name, please?
A. H. J. Bearss.
Q. And your occupation and residence?
A. I am assistant general auditor of the Union Pacific Railroad Company, Omaha, Nebraska.

* * * * * * *

[fol. 109] Tuesday, October 2, 1956.

* * * * * * *

[fol. 109a] D. A. BAUMGARTENER was sworn and testified as follows:

[fol. 110] Direct examination.

By Mr. Brittingham:

Q. Please state your name and business connection?
A. D. A. Baumgartener, Superintendent of Transportation of the AT&SF Railway System, Chicago, Illinois.

* * * * * * *

[fol. 111] Cross examination.

By Mr. Morehouse:

* * * * * * *

[fol. 112] Q. Well, however that may be, it is a fact, is it not, that the Santa Fe during the past several years since the end of the Second World War has built an entirely new railroad, as they say, a new railroad? I have in mind, in my hand here an issue of "Modern Railroads", December, 1953, which is entitled, "The Modern Santa Fe—America's new Railroad", and it points out in that issue how the Santa

Fe had rebuilt its road in almost every respect and how they are running a series of advertisements advertising to the public that the Santa Fe is a new railroad.

Are you familiar with that?

A. Yes, sir.

* * * * * * *

[fol. 113] By Mr. Morehouse:

Q. Well, you know that the Santa Fe does advertise its railroad and has ever since 1953 or earlier, as America's new railroad?

A. Yes, sir.

Q. That has continued. I just happened to have a sheet torn out of the Chicago Daily News of September 21, 1956, in which they refer to America's new railroad in quotes at the conclusion and it is right over F. G. Gurley's signature. You are familiar with the fact that is being done, aren't you?

A. Yes, sir.

* * * * * * *

[fol. 114] Friday, October 3, 1956

* * * * * * *

[fol. 115] Mr. Trienens: * * *

We would like to offer in evidence at this time Exhibits T-294 through T-298.

Exam. Hosmer: They will be received in the absence of objection.

(Exhibits Nos. T-294, through T-298, Witness Brown, were received in evidence.)

* * * * * * *

[fol. 115a] GILBERT J. PARR was sworn, and testified as follows:

Direct examination.

* * * * * * *

[fol. 116] Q. Taking into account that correction, will you state whether or not these statements marked for identification Exhibits T-299, T-300 and T-301 are true and correct to the best of your knowledge, information and belief?

A. Yes, sir, they are.

Mr. Curry: I would like to offer them in evidence.

Exam. Hosman: They will be received, in the absence of objection.

(Applicant's Exhibits Nos. T-299, T-300 and T-301, Witness Paar, were received in evidence.)

* * * * * * *

[fol. 117] A. J. STILLING was sworn, and testified as follows:

Direct examination.

* * * * * * *

[fol. 118] By Mr. Curry:

Q. With those corrections, will you state whether these exhibits which we have identified are true and correct to the best of your knowledge, information and belief?

A. They are, sir.

Q. I offer them in evidence.

Exam. Hosman: They will be received in evidence in the absence of objection.

(Applicant's Exhibits Nos. T-302, T-303, T-304, T-305 and T-306, Witness Stilling, were received in evidence.)

* * * * * * *

[fol. 119] Tuesday, February 5, 1957

* * * * * * *

[fol. 120] Mr. Trienens: I offer Exhibits T-313 through T-320.

Exam. Hosmer: They are received.

(Defendant's Exhibit No. T-313, Counsel Smith; No. T-314 to T-317, inclusive, Witness Edwards; and Nos. T-318 through T-320, Witness Poole, were received in evidence.)

* * * * * * *

[fol. 121] Thursday, February 7, 1957

* * * * * * *

[fol. 122] H. J. Bearss was recalled and testified as follows:

* * * * * * *

[fol. 123] Cross examination.

By Mr. Morehouse:

Q. Mr. Bearss, it may be more logical to alter the order of what I had in mind and while you have this subject before you that Mr. Brooks was just asking about, on that same [fol. 124] page 2 of Exhibit T-275?

* * * * * * *

[fol. 125] By Mr. Morehouse:

Q. I want to refer to some of the improvements in your annual report for 1953 to the stockholders, on page 18. Referring to the improvement program and the amounts spent, I won't take the time to read the whole thing, but the point I wish to make out is that it is said there that rises in price in wage levels account in part for the growth in the expenditures since World War II, but aside from these factors the character and extent of improvements in recent years have been such as to constitute to a very large degree the rebuilding and re-equipping of the company's lines.

That has been the effect of the expenditures, as stated in your company's annual report for 1953. Do you have any disagreement with it or qualification or explanation that you wish to make?

[fol. 126] A. I have no disagreement with anything that is in the Union Pacific's annual report.

* * * * * * *

[fol. 127] Tuesday, May 28, 1957

[fol. 128] ROBERT R. CLARK was sworn and testified as follows:

Direct examination.

By Mr. Ferguson:

Q. State your name, please.

A. Robert R. Clark.

Q. Where are you employed and in what capacity?

A. I am employed by the Public Utilities Commissioner of Oregon in the capacity of a rate analyst.

Q. Have you submitted a statement in this case and an appendix?

A. I have.

Q. Do you have a correction at this time that you would like to make in your statement, referring to Page 3?

A. Yes.

Q. Will you explain the correction?

A. On the last line of Page 3, it is stated as follows: ". . . with their low rates of return . . ." I wish to delete "low rates of return", and substitute therefor the following words: "five year average rate of return of 4.26 per cent."

Mr. Hamilton: Will you read that slowly?

The Witness: We will delete "low rates of return", and insert therefor "five year average rate of return of 4.26 per cent."

[fol. 129] By Mr. Ferguson:

Q. Mr. Clark, as to this—strike that.

Mr. Ferguson: Mr. Clark doesn't feel he is qualified as an expert, a financial expert in regard to returns of railroads.

By Mr. Ferguson:

Q. Now, I'll ask you, Mr. Clark, if this statement I-381 and appendix 382 substantially state the truth and facts as you see them?

A. Yes.

Mr. Ferguson: I offer into evidence statements I-381 and 382.

Mr. Morehouse: We make the same objection, Mr. Examiner, that Mr. Hamilton made to Witness Roys.

Exam. Hosmer: Yes, sir. They will be received, subject to the objection.

(Intervenor's Exhibits Nos. I-381 and I-382, Witness Clark, were received in evidence.)

Mr. Ferguson: Cross examine.

Cross examination.

By Mr. Pierson:

* * * * * * *

[fol. 130] Q. Has the return on investment been understated to the extent that taxes on non-operating income were included in railway tax accruals? That's a simple question.

A. Yes, I think you're right.

* * * * * * *

[fol. 131] By Mr. Morehouse:

Q. Mr. Clark, I was just looking at Page 3 of your Section 1, and in that you—you refer to that on Page 2 of your Exhibit I-381.

A. Yes.

Q. You mention there that the figure of 78 per cent, if I understand, the text of that statement under the table, you are pointing out that for the period of years 1951 to [fol. 132] '55, inclusive, the Mountain-Pacific transconti-

nental railroads, as you designate them, put back into their property the equivalent of 78 per cent of their net railway operating income, is that right?

A. That's right.

Q. And, of course, that is net railway operating income, the way you've taken it, without any adjustment for the Federal income tax on other income, is it not?

A. Well, yes. You'd have that same situation.

Q. In other words, you just took it the traditional way it's set up in the accounts?

A. We were interested in the railway operating income from transportation that remained within the company and was used to improve the service or buy new equipment, or whatever they might have done with it; from the standpoint of what was earned through their non-operations, we weren't interested in where that went.

Q. Well, that being the case, then, to be accurate about it, you should have added that in your net railway operating income the amount that had previously under the Commission's system of accounting been taken out, that represented Federal income tax on income from other than the transportation operation, shouldn't you?

A. What was that question again?

Q. I'll try and put it more simply. You said you were interested in only net railway operating income from trans- [fol. 133] portation operations?

A. That's right.

Q. That being so, you've got to add back the amount that's been subtracted from that representing income tax on other income? You've already agreed to that, haven't you, with Mr. Pierson?

A. This is a different use of that though. I see no reason why we should add back the income tax that is paid on other income outside of transportation, add that back to the income from transportation.

Q. Well, you perhaps have realized that's already been subtracted in the figures that you've got. Did you know that?

A. Yes, that's right.

Q. Well, if it's been taken out and you're trying to relate it to transportation operations, you've got to put it back, haven't you?

A. That might be true, but it would have a very little effect upon the percentage figure that we have set forth here.

Q. Well, the reason I ask you that, I want to ask you if you have at any time ever seen Exhibit MW-218 in this proceeding, which was introduced in the record by the midwestern group of railroads?

A. I have seen that, but I haven't analyzed it.

Q. Well, in there on Page 21, this very comparison percentage that you make here is made for the transcontinental [fol. 134] group, making this adjustment I've just spoken of, and it comes out 84.9 per cent instead of 78 per cent. Is that about the difference that you would expect, and is that what you mean that it wouldn't make much difference?

A. Well, you mean that we have really invested more of our net railway operating income back into the—or retained it for the purpose of improving our facilities in what I show?

Q. When you say "we", I suppose you mean—

A. The western transcontinental carriers.

Q. The intermountain railroads?

A. Yes.

Q. If you make that adjustment, it brings it up to 84.9, and, if you will refer to this—I assume you don't have it with you—when the same adjustment is made for the midwestern group, it shows that they put back into the property 101.3 per cent of their net railway operating income, and this is for a period of years somewhat longer than yours. It's 1947 to '53, inclusive.

A. I didn't make any studies along the line to determine that for carriers outside of Mountain-Pacific territory. What we were interested in was the Mountain-Pacific transcontinental lines.

Q. Well, you aren't aware of the fact that in other territories it might be that they put back into the properties a greater percentage?

[fol. 135] A. I felt it was possible, yes.

Q. But you weren't interested in that, I mean, for your particular purpose, or you didn't inquire as to what was going on in the other territories?

A. Nor did I have the time to compute it.

* * * * * * *

[fol. 136] By Mr. Morehouse:

Q. In giving the rates of return, why didn't you use the so-called elements of value base that the Interstate Commerce Commission's Bureau of Transport Economics and Statistics uses, and that is referred to in the Commission's decisions in the Ex Parte rate cases?

A. We don't have all the figures available to us in the office to make that comparison, to use those figures.

Q. Was your study of the figures you studied such that from the evidence already in this case, particularly MW-218—Exhibit MW-218 and Exhibit MW-86, that, when the controversial acquisition adjustment item is left out of consideration, and the adjustment is made for the Federal income tax on other income, that, for example, the year 1954, as shown on Page 1 of MW-218, the transcontinental group had a rate of return of 4.77 per cent and the midwestern group had a rate of return of 3.35 per cent?

[fol. 137] Mr. Lyons: Isn't that in the record already?

Mr. Ferguson: Is this a question?

Mr. Morehouse: It is.

Exam. Hosmer: He's asking that of the witness, and it's proper.

The Witness: I'm aware of it. However, we did not make the comparison between Mountain-Pacific transcontinental lines and midwest. We were interested in the comparison between our Mountain-Pacific transcontinental lines and the U. S. average.

By Mr. Morehouse:

Q. On Page 3 of your Exhibit I-381, referring again to that table that you were referred to by Mr. Pierson, in order to make an accurate and correct comparison there, having regard for Federal income taxes, you would have to reduce that 107 million dollar plus figure by 52 per cent to reflect the present rate of corporate income tax, would you not?

A. What page are you referring to?

Q. Page 3, Column 1, Estimated Revenue Loss. Assuming that that was a correct amount, as stated, for estimated revenue loss, then, in order to compare it with net railway operating income, you'd have to reduce it, first, 52 per cent in order to reflect the effect of corporate income tax, wouldn't you?

A. If we assume that western railroads can get along without that revenue, yes.

Q. Well, regardless of any assumption, just for the purpose of setting it up in the table to show something that [fol. 138] really means something, you have to do that, don't you?

A. In my estimation, you could do it that way if you wanted. In my estimation, it means something here when we set it up to show the actual loss in net railway operating income that the midwestern and the eastern carriers are asking from our transcontinental lines.

Q. Well, are you contending that that 107 million dollars estimated gross revenue loss is the same thing as net railway income—net railway operating income loss?

A. No. I'm just comparing it to net railway operating income, is all.

* * * * * * *

[fol. 139] Q. Well, how do you understand that this 107 million dollar figure was developed?

A. It was developed by Mr. Kihn, and he had access to a lot more information than I did. I wouldn't be able to go into the detail of the computation of that figure. How-

ever, comparing it with Mr. Butler's figure, I felt that—and being that both are very close together for the eastern district, I felt that they both must be thinking along the same lines.

Q. You didn't happen to notice Mr. Kihn's answer on cross examination, which I'll read to you and a couple of questions on cross examination. This was on February 6th this year.

"In your so-called mechanical application of these integer scales, in accordance with any proposal, is this—correction—is this so-called mechanical application of these integer scales in accord with any proposal that you know of that has yet been placed before this Commission in this case?"

The answer was: "No, sir."

[fol. 140] Were you familiar with that?

A. No, I wasn't familiar with that. When you set forth the three methods of computing the divisions to the eastern carriers, and, as this one here is set up on the same basis, I assumed that they were for that purpose.

Q. Well, the long and short of it is you just took this figure out of Mr. Kihn's exhibit without making a thorough investigation as to what was back of it, and what it might mean, isn't that about right?

A. I assumed that it was in the record, and I assumed that it was correct.

Q. On Page 4, Mr. Clark, in the third new sentence on this page, you say: "Since studies introduced by Intervenors . . ."—introduced by the intervenors, mind you—". . . show definitely that further increases in rates will bring about either diversion or drying up of traffic, the end result would not only be detrimental . . .", and so on. What studies, I ask?

A. Well, I think the shippers have put in testimony here to show that. That's what we're talking about.

Q. Are you referring to Mr. Ferguson's statement also?

A. No.

Mr. Ferguson: I don't think that's recognized as testimony.

Mr. Morehouse: I thought the witness might have had a little misunderstanding about that too, Mr. Ferguson.

By Mr. Morehouse:

Q. Well, in that statement, you're assuming—or expressing your conclusion as to what the testimony and evidence of other people here at this hearing show, are you not? You don't state that as a fact, do you?

[fol. 141]

A. It would be an opinion, yes.

Q. I don't suppose that you took into consideration at all the fact that, if there was some adjustment here in divisions which was extended to all of the midwestern railroads and the east, that, insofar as the midwest was concerned, the result would be beneficial in an offsetting way insofar as the Great Northern and Northern Pacific are concerned, for example, because of their practically complete ownership of the Burlington, a midwestern line? I take it you didn't take that into account, did you?

A. I have no knowledge that there would be offsetting factors of the type you mention, no.

Q. The same was true of the Southern Pacific's ownership of the Texas and New Orleans, and the St. Louis Southwestern, otherwise known as the Cotton Belt?

A. Oh, I felt that there would be some influence on those roads that went clear through to the Mississippi, if that's what you mean. I felt that there would be some effect there, but I have no information that would adjust that problem.

Q. You put them much in the same category, the Southern Pacific then, as the Milwaukee and the Santa Fe, that go all the way through to Chicago?

[fol. 142]

Mr. Lyons: You're misstating the case, Mr. Morehouse, because there's no proposal to apply the same divisions on the Southern Pacific Lines and the Texas and New Orleans or on the Cotton Belt.

Mr. Morehouse: I'm simply asking what this witness took into consideration. I take it he didn't consider any of those effects, those offsetting effects.

The Witness: There are certain railroads that serve Mountain-Pacific territory, and we've taken those roads that perform the major portion of our transportation in Mountain-Pacific territory, and we have used those, and those are the ones that we are concerned with, and we're not concerned particularly with the T. & N. O.

By Mr. Morehouse:

Q. Then you're not concerned with any offsetting effects that might occur if the divisions were adjusted on a territorial basis?

A. I don't know what offsetting effects you're talking about.

Mr. Morehouse: That's all.

Exam. Hosmer: Any other questions of the witness?

(No response.)

Exam. Hosmer: If not, you're excused.

(Witness excused.)

• • • • • • •

[fol. 143] March 6, 1958

• • • • • • •

[fol. 144] Mr. Hamilton: If the Examiner, please, we have had time to look over Exhibit 387 presented by Mr. Smith and have no objection to its receipt in evidence, subject to production of witnesses for cross examination, if requested.

Mr. Eshelman: That, of course, is agreeable to us.

Mr. M. C. Smith: Mr. Examiner, Mr. Brooks has a couple more questions that he would like to ask Mr. Poole on cross, and then Mr. Ray Clark has some questions of Mr. Poole on cross.

Exam. Barber: In view of Mr. Hamilton's statement, I will receive T-387, subject to any question that may come up later as to cross examination.

(Transcontinental's Exhibit T-387, Counsel D. F. Smith, was received in evidence.)

* * * * * * *

[fol. 145] H. A. MINTZ having been duly sworn, testified as follows:

Direct examination.

By Mr. Hamilton:

* * * * * * *

[fol. 146] Q. Mr. Mintz, with the corrections you have listed are the exhibits you have presented, MW-439 through MW-446, true and correct to the best of your knowledge, information and belief?

A. Yes, sir.

Mr. Hamilton: I offer those exhibits in evidence.

Exam. Barber: If there is no objection, they are received in evidence, subject to later cross examination.

* * * * * * *

[fol. 147] Monday, May 26, 1958

* * * * * * *

[fol. 148] PROCEEDINGS

Exam. Hosmer: Resume the hearing.

Mr. Hamilton: I call Mr. H. A. Mintz.

HARRY A. MINTZ having been previously sworn, resumed the stand and testified as follows:

* * * * * * *

Cross examination.

* * * * * * * *

[fol. 149] By Mr. Brittingham:

Q. Now, at page 14 of your exhibit, Mr. Mintz, you begin a discussion of witnesses Parr and Stilling's testimony concerning the subject of rate scale tables. And you comment on the criticisms that Parr and Stilling made of the use of rate scales as a basis for constructing divisional factors, that criticism relating to the fact that rate scales have a so-called taper in them, which those two witnesses attributed to merchandise considerations.

As I understand it, you concede the importance of merchandise considerations in causing that taper in rate scale, but you say there are two other important factors which contribute to the taper and which have no relation to distance. You identify these, as I understand it, as general expenses—you illustrated salaries of general officers and so forth—and the stand-by availability of the railroad plant.

That is correct, as a characterization, in general, of your testimony?

[fol. 150] A. That is correct.

Q. Now, we can agree, can't we, that the allowance which you note is made in a rate scale for terminal service is a cost consideration?

A. In arriving at the terminal expense they are built up, as I understand it, based upon cost studies and costs.

Q. Yes.

And the part of the rate that is loaded into the first bracket to represent terminal service, that is a cost consideration, that is not a merchandising consideration?

A. That is right.

Q. Are not the other two factors that you cite as accounting in part for the rate scale taper also cost considerations?

A. No, not—well, of course, any rate, you might say, has imbedded in it a cost-plus consideration, because of the fact

that it is the rates from which the railroads secure their returns for their operation. So any rate has imbedded in it those factors.

Q. I am afraid I don't make myself clear, because I don't believe there is any question about it. General expenses are certainly cost considerations, aren't they?

A. That is right.

Q. And you say that that cost consideration accounts for part of the rate scale taper?

A. What I am saying is that—that is true as far as you [fol. 151] have gone. What I am saying is that there are in addition to those particularly mentioned, other expenses which do not vary with the length of the transportation service given any particular shipment.

Q. Yes.

And I am trying to identify those things.

Now, general expenses, like general officers' salaries, that is a cost consideration, that is not a merchandising consideration.

A. That is correct, if you are differentiating between merchandising and cost, you are correct.

Q. Yes. And similarly this stand-by availability of the railroad plant that you speak of is simply another way of saying return on invested capital, isn't it?

A. That is right.

Q. Now, you are saying, then, as I understand your testimony, that in addition to reflecting the cost of terminal service, the divisional scale should also reflect these other —these two forms of general or overhead cost?

A. Plus other costs that don't vary with the length of the haul given a certain shipment.

Q. That is right.

You have in your divisional scale your terminal service cost, which is direct and is identified with the terminal.

A. That is right.

[fol. 152] Q. And then you have these other two forms of cost, general expenses and this stand-by availability of the

plant, that you say are not related to distance, but which, nevertheless, have to be taken account of in the divisional scale.

A. That is right.

Q. Yes.

Now, you say that it is obvious that if a railroad is to recover these two costs it must "generally, at least, be reflected in the lower mileage blocks."

Now what is the meaning of that qualification that you make that generally, at least, they must be?

A. Well, there might be some exceptions as there are to every rule, but what I am trying to say there is that you can not lay this cost to the short-haul traffic. In other words, you couldn't burden the short hauls with these particular costs, if you want to call it that; they have to be spread over the entire line for which you are devising a scale of divisional factors. In other words, something that you have to spread over the entire service and can't lodge at, we will say, the first 50-mile block, for example.

Q. Well, to get to the first point, first: You didn't have anything specific in mind when you said "Generally, at least, it must be reflected in the lower mileage block"?

A. I said it could not be reflected in the lower mileage block.

Q. No.

[fol. 153] A. In other words—

Q. The statement is this, Mr. Mintz: "It is obvious that if a railroad company is to receive compensation reflecting these two factors," and the factors we are talking about are these two cost factors of general expenses and what is the equivalent of return, "they must", mentioning those two factors, must "generally, at least, be reflected in the lower mileage blocks."

Now I asked you if you had anything specific in mind when you said "generally, at least," because it sounded like a qualification, and I believe you said you didn't have any-

thing specific in mind, that you just want to qualify the statement of a general rule.

A. That is right.

Q. In case there is some exception to the statement?

A. Well, there always is.

Q. Yes.

Now, I am confused by what you said a moment ago about not being able to reflect them in the lower mileage block, the first fifty miles, say, but having to spread them over the entire length of the haul.

A. What I am trying to say, Mr. Brittingham, is that in devising a scale of certain rates, we will call it that, that you can not charge to and maintain in the lower blocks, that it is something that must be spread over the entire [fol. 154] haul insofar as these particular expenses are concerned. They are in there in the first lower block, and then they are spread out as you get the haul through for the longer distances.

Q. They are spread, then, uniformly and proportionately throughout all mileage blocks?

A. Well, I wouldn't say that they were spread uniformly because when you have an initial terminal charge, as your mileage increases, there is the reflection of the increased haul in spreading that terminal.

Q. We are not talking about the terminal now, Mr. Mintz, we are talking about these other two elements of cost which have no relation to distance.

A. These other two elements drop in the same category in building the initial scale.

Q. In the same category as terminal costs?

A. That is right.

Q. There is some reason why those costs should be reflected in the lower or first mileage blocks and not spread uniformly throughout the length of the scale?

A. I just don't know how to express myself.

Q. Let's go on to another question.

A. I am trying to say that while they are imbodied in the lower blocks, that particular expense, and so forth, has to be reflected across. You can't expect the shipper for the 50-mile block, if you please, to carry the load en- [fol. 155] tirely across for the thousand miles haul, that the man paying for the thousand miles haul must pick up some of the costs imbodied in that initial block.

Q. Let's get to it this way: You are not suggesting, are you, that these two elements of cost should be dealt with in this case on any different basis from the way the Commission's Rail Form "A" Cost Formula deals with them?

A. I know nothing about the Rail Form "A" costs. I don't know how the costs for this service that doesn't vary with the haul is charged into the Form "A" accounts.

I do know, like the general office expense, for example, that that is an expense that is the same whether the carrier is performing a haul of 100 miles or 500 miles. And I don't know how that particular cost is reflected in the Form "A" schedule.

Q. Now, if Form "A" takes a cost of that sort, spreads it as between terminal and line-haul, and then spreads it, part of it on terminal and part of it on line-haul, so that the various units of service pick up their part of that cost, then you have accomplished what you have in mind, of making the user of rail service in the 1,050-mile block pay his part, just as the shipper in the 50-mile block pays?

Mr. Hamilton: Just a moment. I object to that question because it contains the phrase "pay his part". And that is unexplained. It assumes some undisclosed proportion [fol. 156] is fair. And counsel didn't state what that undisclosed portion was and the witness said he didn't know how it was treated in Rail Form "A".

Exam. Hosmer: I don't find any reference in your testimony to rail Form "A". Is there any in there?

The Witness: No, I didn't touch upon rail Form "A".

Exam. Hosmer: All right. Leave it out.

By Mr. Brittingham:

Q. On page 18—

A. You say page 15?

Q. 18, Mr. Mintz.

A. 18.

Q. You attempt to justify the fixing of a minimum division on the ground that a carrier's divisional share must not only cover terminal expenses but also "other expenses that have no relation to length of haul."

You are referring here also to the two cost factors that we have just discussed in connection with the rate scale taper, aren't you?

A. Plus others, yes, sir.

Q. What others?

A. I mean you said "two".

Q. I mean two categories, Mr. Mintz.

A. Oh, that is right.

Q. Now if the terminal factor in the integer scale is fully adequate to cover terminal cost, and if these various [fol. 157] general expenses and return and the classes of expenses that we have just been talking about in connection with the rate scale taper problem, are spread properly over terminal and line haul, what is the basis for a 15 percent minimum or any other minimum?

A. I believe that even in the face of these terminal expenses, and so forth, that a carrier performing a minimum haul is entitled to some further leeway, some further consideration. And it must be given to them in the form of a minimum proportion of the through or a part of the transportation charge. And, as I went through the various decisions of the Commission, with some exceptions, the Commission, itself, has invariably recognized the fact that there should be a minimum and generally that minimum has been 15 percent, although there are some exceptions where they have made a minimum of 25 percent. I don't know of any instance where they have made a minimum of less than 15 percent.

There have been some cases in which they didn't prescribe a minimum.

Q. Now, Mr. Mintz, the way I asked you that question called for the answer to this kind of a question: By proposing a 15 percent minimum do you mean to be saying that there are certain costs or types of costs which, just inherently, can not be adequately reflected in the divisional integer scale?

A. I think that is correct.

[fol. 158] Q. And you identified those costs as this return on invested capital in the railroad plant and general expenses, such as the salaries of general officers?

A. And other imponderables that I just can't put my fingers on.

* * * * * * *

[fol. 159] Tuesday, October 14, 1958.

* * * * * * *

[fol. 160] Mr. Eshelman: Mr. Examiner, we ask the receipt of Exhibits E-487, E-488, and E-489.

Exam. Hosmer: I assume there is no objection. They will be received.

* * * * * * *

[fol. 161] Wednesday, October 15, 1958.

* * * * * * *

[fol. 162] JOHN K. LANGUM resumed his testimony as follows:

Cross examination (continued).

By Mr. D. F. Smith:

Q. When the decision has once been made as to what the grouping shall be, how do you contrive to take account of the rate of return of the group? How do you weigh the prospective rates of return; or did you do that?

A. Of the individual members, of the group, however defined?

Q. Yes.

A. I did that in two or three ways.

First, some of my figures are in terms of totals for the groups in terms of the contestant groups. That in effect is a weighting on the basis of the amount of the investment as the denominator of the rate of return comparisons.

Another method was where I started with the principal contestants in the Midwestern group and in the Transcontinental group and computed the rate of return in group totals, which involved a weighting in terms of the investment base in the denominator again for that particular group.

[fol. 163] Finally, as another way of looking at the rate of return of earning power of a group of business enterprises including railroads, I averaged the individual ratios, thus giving equal weight to each of the rate of return or earning power ratios.

Q. So after you make your decision on the consist of the group, then you have the mechanical problem of weighting?

A. Yes. There is a problem or a decision on weighting and I have used the two over-all methods, group totals and averages of individuals ratios, which I believe are reliable and meaningful.

Q. So in effect you get for a group a weighted average rate of return, depending upon what the weighting process is?

A. Yes, sir, there is a weighting of some kind involved in these group figures.

Q. And the common division which is applied to those to whom it is to apply are presumably going to meet the statutory requirement by being properly related to this weighted average rate of return; is that the way the thing works?

A. Well, that involves my commenting on what the statutory requirement is, and I cannot properly do that.

I do say that in my judgment this is the proper and meaningful method of comparing such earning power and rate of return statistics from the financial and economic standpoint.

[fol. 164] Q. Well, whatever the statute may require, if there is any doubt about it, your process, after you had once made the grouping of these roads that were to have the common division, is to get a weighted average rate of return, which, to the extent proper under the law, would be used as the basis for making this common division that would apply to all in the group?

A. Yes, these are weighted rate of return figures.

Q. Going back to the statute, you said your attention had been called to the requirements of the statute, that in prescribing divisions of joint rates, the Commission shall give due consideration to the amount of revenue required to pay a fair return.

Do you want to leave some caveat as to whether or not that means what it says and does require the Commission before it fixes a division to give consideration to rates of return.

Exam. Hosmer: Excuse me, I don't think this witness's opinion as to the meaning and applicability of Section 15 (6) is helpful, Mr. Smith.

I think we have had enough questions along that line.

By Mr. D. F. Smith:

Q. Doctor, are these the alternatives which you conceive to exist in reference to this problem that we are discussing: you either make individual divisions for individual roads based upon your respective rates of return of those indi- [fol. 165] vidual roads or, if you design to make common divisions, a common division, then you average or weight together the rate of return in some such fashion as you did, and make a common division in relation to the common rate of return?

Are those the alternatives we face here?

A. As I understand your question, yes, and I would say in terms, again, of the economic and financial measurements involved.

Q. I called your attention this morning to your statement on page 26 in which you make reference to the fact, as you regard it to be, that the divisions will be fixed for the Transcontinental subsidiary lines operating in Midwestern Territory.

My attention is called to the fact that you come back to that subject in your new Exhibit 609. I find that in 609, you incorporate a conclusion which applies both to 608 and 609.

It begins on page 93.

A. Yes, sir.

Q. Am I right?

A. Yes, sir. In part that conclusion covers the first exhibit.

Q. In that conclusion, referring to 608, you say, do you not: "Obviously and quite naturally there is a considerable variation in earning power among the different individual [fol. 166] railroads in each group.

"This should [sic] noted. But unless a different basis of divisions is to be prescribed between individual carriers, which I understand is not contemplated or asked for by any of the participants here, it appears to me that primary consideration should be given to the comparisons in terms of the group figures, without modification or distinction in relation to the various high or low earners in the several groups."

That is your testimony here, is it not?

A. Right.

Q. So you have undertaken this test and carried it through with the understanding that the divisions of all the Midwestern roads were to be fixed, and fixed on a uniform basis with those of the so-called contestant groups. Is that what that means?

A. Well, the meaning is, that is my understanding as to what is contemplated or asked for by the participants.

Q. In that connection, perhaps your clients referred you to paragraph 7 of their complaint which reads:

"The present divisions of the joint rates prescribed in paragraph 3 hereof received by defendant carriers operating in Midwestern Territory, which are in competition with complainants for traffic will be in need of adjustment to conform to the just, reasonable and equitable divisions to [fol. 167] be prescribed by the Commission in the proceedings initiated by this complaint."

That was directed to your attention, I take it, was it not, and was perhaps the basis of the statements in your testimony that I had just adverted to?

A. May I be sure that I have before me just what you are reading from? I have before me a document, a complaint No. 31503, sub No. 1, page 3, paragraph 7.

Q. That is right.

A. Let me read that, please. (Inspecting document.)

Yes, that paragraph and that document was brought to my attention.

Q. I take it that it was the basis for the statements from your two exhibits which I have read to you, is it not?

Mr. Hamilton: That calls for an interpretation, impliedly, of paragraph 7 of our complaint, and I submit that that paragraph is written in the English language and the interpretation of it is a matter of law and not a matter for the witness.

Mr. D. F. Smith: You gave it to this witness to interpret, evidently.

Mr. Hamilton: Naturally, I wanted him to know in a general way what it said in the pleadings, but we didn't give it to him for the purpose of having him interpret it to you.

[fol. 168] Mr. D. F. Smith: I have asked a pretty simple question.

Mr. Hamilton: And I have objected.

Mr. D. F. Smith: And I am relying in that on the statements made in his sworn testimony.

Exam. Hosmer: As I understand your question simply was whether he was familiar with that paragraph.

Mr. Hamilton: No, that was the first question.

Mr. D. F. Smith: And whether that is the basis of what he says in his testimony about the common division.

Exam. Hosmer: I think that is perhaps permissible.

The Witness: That paragraph and a good deal of other material likewise certainly has been the basis of what I say about divisions in my testimony.

By Mr. D. F. Smith:

Q. Now, let us be a little more specific, if you please, Doctor. Let us just use an example situation of the T & P. You don't put the T & P in your, as you say, preferred group or contestant group, do you?

A. No, sir, it is not in my judgment or understanding a member of the contesting groups.

Q. You know it is a subsidiary of the Missouri Pacific?

A. Right.

Q. Now you know that it is named not as a complainant but as a defendant? Or did you know it was named as a defendant?

A. I know it is not a member of the contending groups; as to its specific role as a defendant or complainant, I don't [fol. 169] know.

Q. You were not advised that it had been named as a defendant, then?

A. In my understanding it is not a member of the contending groups.

Now, as to whether it was named as a defendant or a complainant, I don't know. I didn't trace through all the individual railroads.

Q. Do you know or were you advised that the T. & P is a better than average earner in the ranks of the Midwestern roads? Did you know that?

A. I don't have at my disposal at the moment the earning power rate of return for that road.

Q. So if that were a basis of the Midwestern roads excluding the T & P, you were not told about it?

A. By that, you mean what their earnings happen to be?

Q. Their rate of return if they happen to have one, yes.

A. It isn't a matter of what anybody told me about it. It is not included in the concepts which I determined.

Q. Did you know or did you know that its participation in transcontinental traffic is greater than seven out of the ten roads included in your contestant group?

A. Well, there are, I understand, different measurements of transcontinental traffic and—

Q. I am sure you know that, but will you just answer the [fol. 170] question?

Exam. Hosmer: If you don't know, say so. He asked you if you knew or did not know. Just say whether you do or not. That is all that is called for.

The Witness: Well, I do know this. In Exhibit T-274, Appendix A, page 2, reference is made to the Texas and Pacific in terms of its percentage of ton miles of transcontinental traffic.

I know what the figure is and how that compares with other Midwestern railroads, so-called, shown on that page.

Q. You do know, then,—and that is in Exhibit 274, isn't it?

A. Yes, sir.

Q. So you did know all the time that the T & P's participation in transcontinental traffic was greater than seven out of the ten contesting roads that you included in your group? You did know that, then?

A. I don't know that I knew greater than the seven. I see that before me.

Exam. Hosmer: You know it now, don't you?
The Witness: Yes, sir.

By Mr. D. F. Smith:

Q. Now, let me ask you: Do you as an expert here, seriously contend that the Midwestern roads, by some manner can contrive to get divisions fixed for the Midwestern contestant group without considering the earnings of the T & P, [fol. 171] and then by joining the T & P, as the defendant, have the division of that road established on the same basis and in respect to the low rate of return of the rest of the roads in the group?

Does that conform to your notion of what you can get out of this situation?

A. That goes beyond my notion, as you put it, or understanding. I have stressed the need to look at the ownership and control aspects of the relationships of the several roads.

In particular, that has an implication for this road as one of the subsidiaries of a Midwestern road.

Q. You wind up, then, with the conclusion that the Missouri Pacific can have its return diluted and in effect reduced by being averaged with the Northwestern, but can have its divisions made without regard to the earnings of its own subsidiary, the T & P.

Is that where you come out?

A. Do I know what divisions can be made in that manner?

Q. Are you advocating a result that produces that fantastic result?

Mr. Hamilton: This witness has not advocated any particular division formula.

By Mr. D. F. Smith:

Q. Now, will you answer, please.

A. I have advocated not any fantastic result, but rather what seems to me to be meaningful, appropriate groupings [fol. 172] of the railroads in terms, first, of all the con-

tending groups and giving recognition to the situations of ownership and control, to see where the ultimate financial benefit of the divisions decision goes.

Q. Does it respond to the economic and financial matters that are the touchstone of what you have done here, as I understand it, to permit the Missouri Pacific to get divisions on the basis of a reduced rate of return, reduced by being averaged with the Northwestern, but not reflecting the return of its own subsidiary; but after that is all done, then prescribing the same division for the subsidiary?

Now that you see its effect, does that satisfy your sense of what is right in this situation?

A. Sir, my sense of what is right is not determined in terms of effect.

Q. If it just turns out that way and it satisfies the financial and economic requirements, that is all right; is that your view?

A. My view and what I have attempted to do in my studies is to provide measurements and comparisons that will be appropriate and meaningful.

Q. Doctor, suppose you have got six roads that would like to get an increase in divisions. Three of them happen to be earning two percent. Three of them happen to be earning six percent.

[fol. 173] So the three roads that are earning two percent bring a divisions case. They name the three six-percenters as defendants.

Do you think it would be appropriate for the Commission to fix divisions on the basis of the average rate of return of the three two-percenters and then just apply that division to the six-percenters that are named as defendants?

Mr. Morehouse: I object to that as a hypothetical question that does not reflect the situation existing in this case.

Mr. D. F. Smith: It just happens that that is what the witness has done here in effect.

Exam. Hosmer: Whatever these Midwestern lines want to make of his testimony will be developed in argument.

You have disclosed the situation, Mr. Smith, with your cross-examination. I think you have proceeded far enough in that direction without forcing the witness to answer you in the terminology of your question.

By Mr. D. F. Smith:

Q. Doctor, this question as to who gets the dividends of a particular road: I believe you overlooked the application of that principal in dealing with the Wabash, did you not? You refer to the Wabash, but you left the Wabash in the group, the Eastern lines, did you not?

A. Yes, I have. But that is not comparable, as I see it, [fol. 174] to the case of the Midwestern subsidiaries of the Transcontinental group members.

Rather, it would be comparable, I would think, to the treatment shown on page 12 of the four subsidiaries of the Transcontinental group operating in Mountain-Pacific territory, and the treatment is identical.

Q. Let us consider the Burlington for a moment, if you please, Doctor?

A. Yes, sir.

Q. I take it in view of your familiarity with T-274 you knew that the Burlington is the Midwestern road that carries the highest proportion of transcontinental miles, did you not, sir?

A. Yes, I see that percentage on page 2 of the exhibit.

Q. The test that you have used as I have been able to garner them from your exhibit, the test of whether a road is included or excluded in your group depends on who gets its dividends, whether it is, as you put it, aggressive or non-aggressive, and generally the temperature of its belligerency in the case.

Is that a fair statement of the basis upon which you exercised your determination of whether a road should be in the group that had its rates of return averaged or whether it should be excluded?

A. In part, yes. But I gave basic consideration again to [fol. 175] the contending groups.

Q. I don't want to violate the Examiner's injunction with reference to talking to the witness about matters of law, but I will ask you: You said that certain legal matters were brought to your attention. I will ask you whether you found in the law, statutory or court decisions, anything which affected the necessity of the Commission looking at rates of return of a railroad for which it is to make divisions that would depend on who invoked the Commission's jurisdiction to make the division, on who gets dividends on the temperature of the belligerency of a particular road.

Did you get any help in using the tests that you made from any of the law that you say your clients handed to you?

Mr. Hamilton: I object to that question on the ground it is immaterial whether he found any such decision or got any such help or didn't.

The fact is that the witness has testified that he based his conclusions on economic and financial considerations.

Exam. Hosmer: The objection is sustained.

By Mr. D. F. Smith:

Q. In the light of the further discussion we have had, would you care to try to make a little more explicit that test of financial and economic criteria that you have used in this grouping?

A. Well, the financial and economic criteria ultimately [fol. 176] are the ratios of earning power and rate of return shown in my Exhibit 608.

Q. But you only get those after you have already decided the question of grouping?

A. That is right. Now, when I look at the several individual roads that one way or another could be involved in this case, to provide any meaningful comparisons, it appears to me, of course, there must be groupings.

When I came into the case, I saw studies by Mr. Bearss and others which did use groups. The question then was what groups would provide significant and meaningful comparisons. There are alternative criteria.

I have given basic emphasis to the contending groups.

With regard to the subsidiaries I have given basic consideration to the ultimate benefit of divisions beneficial to them in terms of the contending groups.

Q. Had this grouping been done when you came into the case? Mr. Kleinsorge had already in his own way determined, with such help as he might have, on what the grouping should be, and that was a sort of a fait accompli when you came into the situation, wasn't it?

A. By this grouping, you mean the groupings used in my Exhibit 608?

Q. Yes.

A. Yes, some of these groupings had been the subject of [fol. 177] work by Mr. Kleinsorge, and I believe testimony.

Some of those groupings I then adopted as my own as meeting my criteria.

In addition, I have other grouping and other measurements of the results of those groupings.

Q. Basically, you are undertaking to establish the propriety of the Kleinsorge group, isn't that a fair statement?

A. I think so, yes, in terms of contending groups.

Q. Now, let us look at the over-all pattern of what you have done, if you please, and let us look first at your inclusions in the Midwestern group.

You have included two roads, the G. M. & O. and the I. C. Railroads, that have more mileage outside the West than they have inside the Midwest, haven't you?

A. Yes, sir.

Q. And you have included the Milwaukee, which operates 2500 in Transcontinental Territory?

A. I have excluded that, of course from the contending groups. I have shown in several of my comparisons the effects of putting the Milwaukee in or taking it out.

Q. Let us look at the exclusions. You excluded from the Midwest group seven roads where they combined mileage of 11,395 miles—this is on page 13—which operate exclusively in the Midwest, haven't you?

A. Yes, seven such roads are excluded.

[fol. 178] Q. And you have excluded the Burlington, which operates ninety percent of its 7880 miles in the Midwest and has the largest proportion of transcontinental traffic of any road in that territory, is that right?

A. Yes, in terms of mileage and, yes, in terms of transcontinental traffic, in terms of the exhibit you referred to earlier.

Q. So you have excluded from the Midwestern group, the group's rate of return, any reflection whatever of the operation in the Midwest of 19,940 miles of transcontinental railroads—if you will accept that arithmetic, subject to check?

A. Yes, sir, in terms that they are not in the contending groups.

Q. So your rate of return upon which you want divisions is fixed for all the lines operating in Midwestern Territory, based upon the rate of return as you have rated them of 52,790 miles out of a total of 92,000 miles, is that right—subject to check?

A. I will accept those figures, subject to check. I think it should be noted also that I said, and I follow that through in my studies, that if the Milwaukee is to be included in any group, it would be more appropriately placed with the Midwestern group.

Q. Doctor, whatever the intent may have been, isn't it the effect that every one of those exclusions and every one of [fol. 179] the inclusions are operated to give the Midwestern group a lower rate of return than it would have had if the inclusions and the exclusions had not been made?

A. I don't know. In some cases I don't think that is the effect.

Referring to the seven roads shown on page 13, I don't know about the rate of return of each one of those roads, and I know studies made of, say, the inclusion or exclusion

of the Duluth, Missabe & Iron Range would show no particular effect either way.

Q. Do you want to name a road as to which this would not be true, that would have some consequence.

A. As an example, in the contrary direction to the import of your question, if, in a group of so-called Midwestern roads, including the Texas and New Orleans, for 1957 or recent years that would tend to lower the average rate of return; on the other hand, the inclusion of the St. Louis Southwestern in 1957 or in recent years would tend to raise that average rate of return.

Q. Do you have some other examples of that?

A. No, those are two examples which I have before me; and in addition, the numerous showings as to the effect of the inclusion of the Milwaukee.

Q. Your task here, I take it, as coming into the case after a grouping had been agreed upon, was in your experience to [fol. 180] find and to assert some reasons justifying this grouping other than rate of return.

Is that a fair statement?

A. Yes, in part that was my task; but in part, in large part, to formulate my own judgment as to what would be an appropriate and meaningful grouping.

Q. When roads are operating exclusively or almost exclusively within a certain group, there is no mechanical problem that is posed as to the weighting of the rates of return. That becomes a simple mechanical problem, doesn't it?

A. No, it isn't a simple mechanical problem. Even the very closely related and closely defined enterprises leave a question of a group total or a group average, say, of individual ratios or other measures of central tendency, other measures of what the figures for the members of the group together show.

Q. I think we are not understanding each other. What I had in mind was that when you don't face this problem of overlapping roads and you know what your group is going

to be—you pass all those difficult questions along the way—the mechanical problem of adding up the book figures and dividing by the aggregate net railway operating income does not pose any mechanical problem, does it?

A. No, if that is a method of getting the average and determining the group tendency.

[fol. 181] Q. Assuming that it might be held here that the Commission is obliged to consider the rates of return of roads for which it fixes divisions, and you were confronted with a situation where some of the roads were overlapping, have you given any consideration to the problem of how rates of return could be grouped properly in such a manner under those circumstances in order to give the Commission the information it would need to make the divisions that would apply to overlapping roads?

Mr. Hamilton: I object to that question because I don't think it is clear. It seems to me, for example, to take the Union Pacific, that the question assumes that the divisions are going to be made east and west of the Mountain-Pacific boundary.

If that is what Mr. Smith means, I wish he would clarify his question and say so.

On the other hand, if it means Council Bluffs and Ogden, for example, on the Overland Route, I wish he would say that.

Mr. D. F. Smith: I can think of lots of ways to complicate it, Mr. Hamilton, but I am not trying to do that.

Exam. Hosmer: I think if you leave out the reference to what the Commission may or may not do, it may be proper to ask the witness simply the factual question.

I would leave out the reference to the possibility of Com-
[fol. 182] mission's decision.

The Witness: Then, may I ask, to understand the question: You say overlapping. In what regard?

By Mr. D. F. Smith:

Q. Well, overlapping as between territories.

A. And the question then is, if there is not overlapping, there is not really a difficult question in grouping.

Q. No, I am not talking about how you arrived at your groups.

I say if you have got the roads operating substantially within one territory, I thought you would agree that the weighting of the rates of return is a fairly simple mechanical problem once you decide its basis.

But I asked you if in the case of overlapping roads you have given any thought to it. If you have not, apparently you have not; the answer is no.

But you tell me.

A. Well, I have given thought to that, and that is shown in my exhibit. I have looked at the fact that there is overlapping on a territorial basis and have concluded that the contending groups, rather than territories, as I see it, are of paramount consequence.

Q. Let me go at it this way. If a function of rate of return evidences its bearing upon revenue needs, then, hence here the Commission can affect revenue needs only through the medium of adjusting transcontinental divisions, do you [fol. 183] see any logic in weighting roads for overlapping on the basis of their participating in transcontinental traffic?

A. That is one way of applying weights. I do not think it is the most accurate or meaningful.

In fact, I think it distorts the real results.

Q. You do get the correlation between the bearing that rates of return have on revenue needs and the fact that in this case the Commission can affect revenue needs only through the medium of adjusting divisions on transcontinental rates?

You do get that correlation, do you not?

A. Yes, sir.

Q. Why do you think it is illogical, then?

A. Because I think to take an over-all rate of return for a company or a railroad which is determined in terms of its over-all operations, of which but one part, presumably is its participation in transcontinental traffic, then to weight that weight of return by participation in transcontinental traffic, it seems to me, is to give an arbitrary weight to results from over-all operations.

Q. As an alternative to that, taking the Milwaukee as an example, do you think it is more equitable to just reflect the rate of return for the full Milwaukee system in the Midwestern group or in the transcontinental group? Is that where you come out?

[fol. 184] A. I certainly think it is appropriate to put it in the Midwestern group, if it is to be put in any group, yes, sir; and the whole operations of the road, because that, as I understand, is the basis available.

Q. And you think that whereas weighting, on the basis of participation in transcontinental traffic, territorially, would be unfair, you think it is quite fair to reflect the return of the Milwaukee, either wholly in the transcontinental group or in the Midwestern group, is that right?

A. I think it is, yes, fair to reflect it in the Midwestern group if any place.

Q. I understand that you wanted it in the Midwestern group, but I am trying to elicit the reasons why you think it is fair to put it in one group or another where it serves substantially in both, rather than to reflect it in both on the basis of the weighting governed by its participation in transcontinental traffic.

Mr. Hamilton: The witness has already answered, I think, at least three times, that if the Milwaukee were to be put in any group at all, then he thinks it ought to go more appropriately in the Midwestern.

He didn't say unqualifiedly that it should go in the Midwestern. I submit the question has been answered three times.

Mr. D. F. Smith: I think if Mr. Hamilton feels he could [fol. 185] have done a better job here, he should have been the witness. This is not an objection, and I would like an answer to the question, if you please.

Exam. Hosmer: I think you have gone far enough, really, in developing that point, but if you feel it is very urgent and can add something more to question him about it, go ahead.

By Mr. D. F. Smith:

Q. I would be happy if the witness would just make a try at answering that question.

Exam. Hosmer: All right. Take one try.

Mr. Morehouse: Do you want to have the question read?

The Witness: If you will, please.

Exam. Hosmer: Read the question.

(The pending question was read by the reporter.)

The Witness: My views as to the inclusion if anywhere with the Midwestern group of the Milwaukee are stated on page 23 of Exhibit 608: the geographical location, and it is in a position to benefit from increases in Midwestern Divisional bases and the position apparently taken by its management.

* * * * * * *

[fol. 186] Mr. Morehouse: I offer at this time Exhibit MW-608, 609 and 610.

Exam. Hosmer: They will be received in the absence of objection.

(Exhibits MW-608, 609 and 610, Witness Langum, received in evidence.)

Thursday, March 26, 1959.

* * * * * * *

[fol. 187] Mr. Trienens: We offer Exhibit T-648 in evidence.

Exam. Barber: With no objection, Exhibit T-648 is received.

[fol. 188] (Defendants' Exhibit No. T-648, Witness Stilling, was received in evidence.)

* * * * * * *

[fol. 189] Wednesday, April 1, 1959

* * * * * * *

[fol. 190] Mr. Trienens: Mr. Examiner, we ask Exhibits T-455, 465, 629, and 652 through T-660 be received in evidence.

Exam. Hosmer: Are those exhibits to which ruling has been deferred, ruling has been requested?

Mr. Morehouse: So far as I know, there is no reference to this new cost study in any of these exhibits, and on that basis I have no objection.

Exam. Hosmer: I understand there is no objection, they will be received.

(Defendants' Exhibits Nos. T-455, T-465, T-629, T-652 through T-660, Witness Bearss, were received in evidence.)

* * * * * * *

[fol. 191] Friday, May 15, 1959.

* * * * * * *

[fol. 192] Exam. Barber: In that case, Mr. Trienens, you might check the exhibits numbers and make sure we have them all in. I have them listed here.

T-678 of the Witness McNear. T-643, the witness McEnanney. T-662, Witness Wasco. T-664, T-666, T-688, Witness Lear. T-649 and T-650, Witness Houston. T-637 and T-638, Witness Saunders. T-632, 633, 634, 635, 636 and 688, Witness Edwards.

Those, then, will all be received at this time.

* * * * * * *

[fol. 193] Wednesday, December 2, 1959.

* * * * * * *

[fol. 194]

COLLOQUY BETWEEN THE EXAMINER AND COUNSEL RE OFFER OF WORKING PAPERS

Mr. Lundmark: Mr. Leahy.

Mr. Smith: Mr. Examiner, before you proceed with this witness, would the Examiner indicate when he thinks it would be a convenient time for us to offer the work papers which we discussed before? We want to make submission of those at any time that would best suit your desires.

Exam. Hosmer: Well, would you like to do that right now?

Mr. Smith: We will do it right now.

Exam. Hosmer: Very well.

Mr. Smith: The parties having failed to stipulate as to [fol. 195] the admission of the work papers of the Mountain Pacific Lines, we offer the work papers for the reasons which have already been stated at pages 9621 and following of the transcript of the October 20 hearing.

We ask that pursuant to Rule 84(c) of the General Rules of Practice the Examiner dispense with the submission of more than one copy of the exhibits here offered.

For the purpose of the identification, we ask that the index of these work papers, which I think was passed around informally at the last hearing, be marked with the next Transcontinental exhibit number. What would that be?

Mr. Eshelman: Before that is marked, may we let the discussion go on a little further, Mr. Examiner?

Exam. Hosmer: Yes, I will indicate whether or not it should be marked at the proper time.

Mr. Smith: We ask that—to make our position clear—the index be marked with the next Transcontinental number, which I understand you will rule on later, and then the individual pages of the work papers be marked with that number, and with such further designation as is indicated on the schedule of the work papers.

Now, in view of the time and the words that have been devoted to this subject, I think the Examiners are ready to

rule on it, and I won't extend my statement except to say that a very large book could be filled from the statements [fol. 196] in this record by all parties as to the relevance and importance of these papers.

We think they are proper evidence, relevant evidence and legal evidence, and we offer them, and by "them" I mean the work papers on the schedule which I have already referred to.

Exam. Hosmer: Do you have the papers physically present in the hearing room?

Mr. Smith: Yes, we have them here, and I thought, if you please—this is perhaps premature in view of the Examiners' withholding ruling on our request that they be marked—that they could be marked during an intermission with the assistance of counsel on the other side, if that would be a convenient way to do it rather than here in the hearing.

Mr. Belnap: Mr. Examiner, I would like to be heard in opposition to the offer in evidence of the work papers. I am going to pass for the time being the informality of the designation. We were furnished with what purports to be an index, which has entries such as this—Book 1, Appendix A, Section 8, main branch separation, 34 sheets. There probably is a book form in Appendix A which has that designation on it, but who sponsors it and who is responsible for it, nobody knows, and I don't think the work papers show anything about that, but I am going to pass the informality of the specifications of the offer in order to get to the meat of the matter as to whether it would be in furtherance of the ends of justice and consistent with ad- [fol. 197] ministrative procedure to have received in evidence in this proceeding at this stage the great mass of papers termed working papers which are now for the first time offered in evidence.

You will recall that Mr. Smith, at the time he wanted to stipulate, said if we wouldn't stipulate, he would offer, and he gave two grounds for wanting them a part of the record.

First, he said these work papers show the detail of the computation procedures underlying the exhibits of record, and assist in full analysis and understanding of the exhibits and testimony with which they are associated.

Now, as such, for that purpose, this offer obviously comes too late. The time has passed to receive evidence from the Transcontinental Lines in support of the cost study on which they relied.

This working papers data, if it were offered, would certainly require independent rebuttal, I say independent—independent of the rebuttal we have offered as to the theories and generality of certain processes of Transcontinental Lines in coming to costs.

I don't know how many pages are in this index—Mr. Eshelman says he has counted, and there are 5500. They don't consist of all—that is not a complete list of the Transcontinental Lines working papers, I think some place there is reference to one sheet that says the gathering cost units [fol. 198] were used, and there is a sheet in here.

I can well recall being in Mr. Pedigo's office with literally a room full of papers of only three of the lines, each individual one of which had hundreds and hundreds of sheets. I can say frankly that the Midwestern Lines have not examined all of the working papers underlying the Transcontinental Lines cost studies, particularly this new one they just offered for 1956, where they have a different bunch of units.

There are many things in those working papers that we know that we want to examine, we want to test, and as to which we want to offer rebuttal, if those computations, certain ratios, certain apportionments were offered in evidence and were to stand here as proven unless we contradicted them. We are not in that shape now, and we want to stay where we are—not in that shape.

Now, the second ground Mr. Smith relies upon is that if he can get his work papers a part of the record, then together with the testimony and exhibits of record, the effect of any proposed alternative adjustment may be computed.

There is in this index great big books of a print, what is known as Form F-2, which purports to indicate by engine districts and junctions and a lot of other circumstances, the services received on the cars in Dr. Edwards' traffic sample. Much of the information on that print out is in the [fol. 199] form of code numbers. You can go from the print out to code numbers, and from the code number you can find the cost some place, and by arithmetical processes, you can recalculate what the costs purport to be shown on that particular sample shipment on that F-2, or you can substitute new code numbers, you can substitute new unit costs up and down the line, and do another bunch of calculations.

If it were done by hand, and on apportionment of cost, it would require any number of men—any substitution on just one unit, it would require several hundred men several months in order to find out the end result of one of these discussions that Mr. Smith talks about.

Now, I grant you the Transcontinental, with a program which is very complex, which we think evolved for the electronic computer machine can feed pieces of cards into that machine and maybe in 20 hours of machine time it can do work that several hundred men would take months to do.

We think it would be opposed to the interest of justice in this proceeding, the administrative process, to permit the Transcontinental Lines to put in at this stage that kind of material with the thought that then, at the brief stage, for instance, they can come on with an entirely new calculation and say this was simply arithmetic applied to data of record, and therefore it is within our rights to put it in. That must be their plan to do that, otherwise it just doesn't [fol. 200] make sense to talk about making working papers, thousands and thousands of pages of working papers a part of this record.

We have submitted our review of the Transcontinental study, and we think it is now up to the Commission to accept or reject what the various parties have submitted in support of their own views as to costs.

We obviously couldn't at any stage, if we had six months for the brief we could never make a recalculation under this scheme of substituting something in the F-2 papers and then running it through a 650, because we don't even have the program, and that is plain from Mr. Berger's testimony in this proceeding.

Now, as a third ground I want to insist that the working papers under consideration are neither relevant or pertinent at this stage to any fact presented for decision, unless the Transcontinental Lines take the position both their original '53 cost study and their '56 cost study are without probative value in the absence of those working papers. If they take the position that those studies have no probative value in the absence of the working papers, then the first ground for the objection clearly applies—they are too late. They should have supported their cost study at the time they offered it.

If they take the position that those cost studies have probative value without the working papers, then there is [fol. 201] no issue of fact or principle to which those papers could be relevant.

Finally, I don't know that this is ground for legal objection, but it does pertain to the fairness of the thing. As I said, this index is obviously much less than the whole body of working papers, even of the Transcontinental Lines. They will give the Commission answer sheets on the gathering studies, the final computations, and if the working papers would come in they would necessarily have to be complete, it seems to me, although that is beside the issue.

Those are the grounds of the objection of Midwestern Lines as to either the marking or receiving in evidence of these working papers.

Exam. Hosmer: Mr. Eshelman.

Mr. Eshelman: Mr. Examiner, I should like to concur in what counsel for Midwestern Lines has said, and would like to ~~adjust a few~~ points.

One consideration which must be taken into account is that these papers either are a vital part of what already

was put in and should have been put in originally, or else they are merely cumulative, and unnecessary detail with which the record ought not to be burdened.

There is the further consideration which I think is perhaps more important, and that relates to the obligation of the Commission in a case of this sort.

[fol. 202] First let me say that I am informed by our cost people that if this material were received that the Commission could not read or understand all the data without help, neither the Commission or the Examiner.

This is not complete, it does not contain the cards. The Commission, we understand, does not have an IBM computer. If the Commission were to arrange to use a 650 machine, it could not run the computer, so I am informed, with the data contained in the work papers specified by counsel for Transcontinental Lines.

The Commission would not have the program to make the machine operative, and if the Commission were to develop new unit costs, it would not be in a position to apply them, but that is not the real point.

The real point is that the Commission does not have an obligation to do the work of the parties. Counsel, before a court, are supposed to do the work of the parties, and it is not the obligation of the courts, nor is it the obligation of the Examiners or the Commission here to make new cost studies if the parties, themselves, have not made them, if the parties themselves have not offered sufficient proof to command the Commission's acceptance of them.

The Commission has a right to say that in a case of this sort it will so conduct its administrative processes as to do the job that the statute has cut out for it to do, not the [fol. 203] job that somebody else should have done.

The Commission—and I am quite certain about this based on other statements that have been written by the Commission in these reports—the Commission does not have to make some brand new cost study, does not have to resolve down to the last gnat's heel a particular finding on a particular issue. If the Commission did, would it not

be true that they would have to take each one of these gathering studies, and take each of these hundreds of meticulous issues involved in these gathering studies as to whether the engine went here or there, or took this car or a transcontinental car.

You have heard the testimony of the Western gathering witnesses, the witness Pedigo, and these other witnesses. Is it to be supposed that the Commission must decide each individual issue of fact clear on down the line? I don't think that is the law at all. I don't think that is the law at all, and when we criticize their study, or they criticize our studies, that is their hard luck, or our hard luck, depending upon whether we are right, and as I understand the Commission's obligation, it is to take that record and make such finding as it can upon that record in the light of the statute, and I think the Commission has not one iota of obligation to do that thing.

Now, we know that in this day there is great criticism of the administrative procedure before some of these [fol. 204] bodies by reason of the length of time it takes to decide these cases. There is no word in what I say of remotest criticism of the Commission in this respect. I think the whole thing lies upon the parties, and I am not suggesting otherwise, but if the Commission were to accept this theory, would it not thereby involve itself in the very type of extension of the administrative procedure that goes beyond the concept of the statute.

When Congress gave the Commission Section 15(6) to go by, didn't Congress suppose that the Commission could operate under it practically, and yet here we are, five and a half years of hearings, maybe five, in any event since the hearing started in 1954, and again I say that I am not charging that to the Commission, but if the Commission should enter upon a proceeding which has taken us such a length of time to deal with these details, is the Commission going to be able to do it overnight, will that be carrying out the Commission's obligation under the statute?

In our opinion, the Commission has a right to govern its practice, and has a right to see that everyone gets a fair hearing.

Now, certainly nobody can say that the parties have not had a fair hearing. We would, however, on our side of the fence feel that we had been denied a fair hearing if this material should go into the record without an opportunity to answer it, and yet we are forced by necessity, in [fol. 205] effect, not to answer.

Suppose we put in our stuff to a similar extent, it would make this whole thing so unmanageable and beyond the capacity of the Examiners and the Commission to handle.

Now, I recall a case, a court case, in which the court, speaking about Judge Wyzanski, used as a particular ground of his exclusion of evidence that to admit that material would put the case really beyond the capacity of the court to complete within a measurable period of time.

Now, we submit that if this material were even marked or in the record that that would do us substantial damage, and that in any event it would still be beyond the capacity of the Commission or the Examiners to deal with it, and we would say that the marking of that, to include it in the record, even though excluded, ought not to be there.

We would rather that the Commission would stand on the principle that it has a right to govern its proceedings, that it has a right to interpret the statute as to make it something that could be accomplished this side of eternity.

Mr. Smith: That is the first time I ever heard it argued that evidence ought to be excluded because it might make the tribunal some additional work. We think that it would assist the Examiners and the Commission in the function that it has to carry out here.

Every one of these work papers, every one of these sev- [fol. 206] eral hundred sheets, was used in the preparation of our exhibits which are in evidence. Every one of these sheets was demanded by the other side, and every one of these sheets was duly furnished to the other side, and they talk about having time to answer them—this

record is full of purported answers to our exhibits as illuminated and explained by these work sheets.

We have been talking about this matter of these work sheets for a long, long time. We had conversations about it, and we thought we could stipulate it, and we thought even up until the end of the last hearing that we could stipulate it.

Now, having failed in the stipulation, we are offering them. As I say, we think they are proper evidence and relevant and legal evidence, and necessary and proper for a full determination of this question.

Now, I won't go on to discuss the propriety of marking them unless the Examiners want me to do that. It is perfectly evident to us under the rules that in any event we are entitled to have them marked.

Exam. Hosmer: Well, gentlemen, I have anticipated that this point would come up, and we have discussed it, and I think without bragging that the arguments which have been made in a general way had occurred to me as to what you might say, so I am not speaking solely off the cuff, here.

I don't believe that the exhibits are in order at this time [fol. 207] when we have come to the point of closing the case with the cross examination of the rebuttal evidence of the Complainants.

I also don't believe that it would be proper to mark these exhibits, they are not in the nature of counsel exhibits, they would have to be supported by a witness, subject to cross examination, so far as I understand what is in them, and, again, the possibility of further rebuttal evidence, so our ruling is that the objections will be sustained, and that the exhibits will not be numbered at this time.

Now, if the Commission sees fit to reverse that ruling, they can readily be introduced and marked at some other time, and you have the right, of course, to appeal to the Commission.

Mr. Smith: Just a further word, if you will indulge me. We do ask that they be marked under Rule 84(e), so that

the question is preserved, and I should say this, that we are prepared to offer witnesses to verify any particular page of the work papers that may be desirable.

I respectfully suggest that the point is met by the fact that they have been turned over to the other parties, and be accepted by them as the true work papers after some discussion between the parties, and so forth, they have been satisfied they are the true work papers.

Now, Mr. Examiner, on your matter of marking, in order that the record may show in some intelligible way what we [fol. 208] are really talking about here, wouldn't it be entirely consonant with Your Honor's ruling on the subject at least to mark the schedule, it is only three or four pages, and that will identify the work papers that are under discussion. I am not saying that is satisfactory to us to mark only the schedule, of course you know it isn't, but isn't that a proper way of identifying on this record to the degree that you might be willing to permit it, the work papers that we are talking about to the extent that they are itemized and referred to in that schedule which is only four or five pages.

Exam. Hosmer: Well, it may seem like a small point, but I don't think even that should be done. All of what you have said is on the record, you have identified the schedule by a description, adding a number to it won't help a bit.

Mr. Smith: Your Honor thinks it is plain what the evidence projected is in fact without marking either the work papers, themselves, or admitting the schedule and marking that?

Exam. Hosmer: Yes, sir, that is my feeling about it, and on this question of the marking, I have considered that, too, carefully, and I am very familiar with the rule of practice on that, and advisedly I feel that in the present posture of this case that no part of those working papers would be received or marked without a witness to support them, and that the time has gone by for introducing any witnesses on behalf of the defendants in the case.

[fol. 209] We will proceed with Mr. Leahy's cross examination.

Mr. Smith: One thing Mr. Trienens has reminded me of that I ought to put on the record.

When I suggested offering witnesses, Mr. Examiner, all I had in mind was to offer witnesses to verify that these are the working papers that were used by us and demanded and furnished to the other side, not that in detail they are true and correct, because that has already been subject to examination, the fire of cross examination, and all that sort of thing.

• • • • • • •

[fol. 210] Tuesday, December 8, 1959.

• • • • • • •

[fol. 211] Mr. Eshelman: Mr. Examiner, I ask that Mr. Heywood's Exhibits E-700 to 704-B, inclusive, be received.

Exam Hosmer: Is there any objection?

(No response.)

Exam. Hosmer: You are waiving your hearsay criticism, Mr. Brittingham?

[fol. 212] Mr. Brittingham: Yes, in the sense of an objection to the exhibit, itself. I think the Examiner is correct in his comment that what I said went to the weight. It does go to the weight, but I don't wish to press an objection to the admission of the exhibit.

Exam. Barber: You have T-791 through 794, Mr. Brittingham.

Mr. Eshelman: I wanted to ask that these be received first, if I might.

Exam. Hosmer: They will be received.

(Exhibit Nos. E-700 to E-704-B, incl., were received in evidence.)

• • • • • • •

[fol. 213] Wednesday, December 9, 1959.

• • • • • • •

[fol. 214] Mr. Morehouse: I would like to offer Exhibit MW-737, 738 and 820.

Exam. Hosmer: I understand there is no objection. They will be received.

(Exhibits Nos. MW-737, MW-738 and MW-820 were received in evidence.)

* * * * * * *

[fol. 215] Thursday, December 10, 1959.

* * * * * * *

[fol. 216] Exam. Hosmer: Well, it is the opinion of Mr. Barber and myself that this does constitute new matter in the nature of surrebuttal.

We have considered the question of whether under those circumstances we have the right to prevent an exhibit from being marked, and we have given careful consideration to the rules of practice on that, and to the Administrative Procedure Act, and we are not in doubt as to what our powers are which we exercised at the beginning of this hearing when the working papers were advanced.

It is our feeling that this does constitute material in the nature of surrebuttal, that the exhibits which have been admitted, or marked, without objection, are sufficient to support the argument which the Transcontinental Lines make, and it is our decision that this new exhibit shall not be marked.

Mr. Curry: To preserve the record, Mr. Examiner, I take [fol. 217] it your ruling then is that this exhibit should be excluded?

Exam. Hosmer: No, it shall not be marked.

Mr. Curry: That is the same thing as saying it should be excluded, I think, because it says in case an exhibit has been identified, objected to and excluded, the officer will decide whether the party offering the exhibit withdraws the offer and, if so, permit the return of the exhibit to him.

If the excluded exhibit is not withdrawn—and I would like it to be fully understood that I am not withdrawing it—

Exam. Hosmer: I understand.

Mr. Curry: It should be given an exhibit number for identification and be incorporated in the record. Exhibit numbers once used for identification will not be duplicated thereafter.

Now, the purpose of that, Mr. Examiner, is this, that we are entitled, I think, under the law to make an offer of evidence. This is a convenient way to show what we are offering.

Now, it seems to me my duty now is if you exclude this entirely and don't let it be marked, my duty is to put on the record what I would intend to prove by this exhibit under consideration, by this exhibit, through this witness.

Exam. Hosmer: No, we can't agree to that. The question arises here as to the status of this case being in the position of closing the evidence.

[fol. 218] Mr. Curry: Then do I understand the ruling of the able Examiner to be that I am denied the opportunity to state what I intend to prove by this certified copy of excerpts of dockets from the Commission as a part of the cross examination of this witness?

Mr. Eshelman: He hasn't made that offer of proof, but when he makes it, we will certainly object to it.

Mr. Curry: I am making it now, because he is ruling out this exhibit.

Exam. Hosmer: I can't agree with you, Mr. Curry.

* * * * * * *

[fol. 219]

Friday, December 11, 1959.

* * * * * * *

[fol. 220] Mr. Carpenter: Counsel Eshelman, for the Eastern Lines, asked in connection with his cross-examination of me (Tr. 10796) about the showing made in Appendix B of Exhibit MW-773, specifically, the line haul costs on pages 8 and 9. Responsive to that request, I have a two-

page statement which shows the line haul costs in the form originally presented and the line haul costs separated between way trains and through trains.

Exam. Hosmer: Is there any objection to this being marked as an exhibit?

(No response.)

Exam. Hosmer: We will mark it Exhibit MW-828.

(Exhibit No. MW-828 was marked for identification.)

* * * * * * *

[fol. 221] Mr. Freeman: I wish to offer Mr. Carpenter's Exhibits MW-765 through 773, MW-782, 783 and 799, and MW-828, 829 and 830.

Exam. Hosmer: Is there objection? Hearing none, they will be received.

(Exhibit Nos. MW-765 to 773, MW-782, MW-783, and MW-799 and MW-828 to MW-830 were received in evidence.)

* * * * * * *

[fol. 222]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket No. 31503 and Sub Nos.

Exhibit No. MW-73 (HAM-11)

Witness H. A. Mintz

STATEMENT SHOWING
PRESENT GENERAL PERCENTS

BETWEEN

AMARILLO, TEXAS
BROWNSVILLE, TEXAS
CAPE GIRARDEAU, MISSOURI
DALLAS, TEXAS
EL PASO, TEXAS
ENID, OKLAHOMA
FORT SMITH, ARKANSAS
HOUSTON, TEXAS
LAKE CHARLES, LOUISIANA
LITTLE ROCK, ARKANSAS
MEMPHIS, TENNESSEE
MONROE, LOUISIANA
NEW ORLEANS, LOUISIANA
OKLAHOMA CITY, OKLAHOMA
SAN ANTONIO, TEXAS
SPRINGFIELD, MISSOURI
TULSA, OKLAHOMA

AND

EUGENE, OREGON
GUADALUPE, CALIFORNIA
LOS ANGELES, CALIFORNIA
PHOENIX, ARIZONA
PORTLAND, OREGON
RENO, NEVADA
SAN FRANCISCO, CALIFORNIA
SEATTLE, WASHINGTON
SPOKANE, WASHINGTON

VIA

ROUTES THROUGH PRIMARY DIVISION GATEWAYS AS SHOWN.

ALSO SHOWING

DISTANCES AND PERCENTS BASED ON VARIOUS FORMULAE AS SET FORTH ON PAGE 1 HEREOF.

Index

Eugene, Oregon Portland, Oregon Seattle, Washington Spokane, Washington	Pages 2 to 7 incl.—Routes via one Primary Gateway.
Guadalupe, California Los Angeles, California Phoenix, Arizona Reno, Nevada San Francisco, California	Pages 8 to 19 incl.—Routes via two Primary Gateways.
	Pages 20 to 32 incl.—Routes via one Primary Gateway.
	Pages 33 to 41 incl.—Routes via two Primary Gateways.

VIA - EL PASO, TEXAS (Continued)

[fol. 223]

BETWEEN / AND	Miles and Basis See Page 1	SPOKANE, WASH.		SEATTLE, WASH.		PORTLAND, ORE.		EUGENE, ORE.	
		So. West	West	So. West	West	So. West	West	So. West	West
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
HOUSTON, TEX.	A	817	1,925	28.17	2,007	817	1,829	817	1,706
	B	25.17	74.83	25.17	74.83	30.51	69.49	30.51	69.49
	C	29.8	70.2	28.9	71.1	30.9	69.1	32.4	67.6
	D	35.9	64.1	35.2	64.8	36.8	63.2	37.6	62.4
	E	33.0	67.0	32.0	68.0	34.1	65.9	35.2	64.8
SAN ANTONIO, TEX.	A	611	1,925	611	2,007	611	1,829	611	1,706
	B	25.17	74.83	25.17	74.83	30.51	69.49	30.51	69.49
	C	24.1	75.9	23.3	76.7	25.0	75.0	26.4	73.6
	D	31.7	68.3	31.0	69.0	32.5	67.5	33.3	66.7
	E	28.6	71.4	27.7	72.3	29.6	70.4	30.7	69.3
AMARILLO, TEX.	A	444	1,925	444	2,007	444	1,829	444	1,706
	B	30.9	69.1	30.9	69.1	37.45	62.55	37.45	62.55
	C	18.8	81.2	18.1	81.9	19.5	80.5	20.7	79.3
	D	26.9	73.1	26.3	73.7	27.6	72.4	28.4	71.6
	E	23.5	76.5	22.7	77.3	24.4	75.6	25.3	74.7
SPRINGFIELD, MO.	A	1,013	1,925	1,013	2,007	1,013	1,829	1,013	1,706
	B	31.84	68.16	31.84	68.16	40.82	59.18	40.82	59.18
	C	34.5	65.5	33.5	66.5	35.6	64.4	37.3	62.7
	D	39.4	60.6	38.7	61.3	40.3	59.7	41.2	58.8
	E	36.9	63.1	35.9	64.1	38.0	62.0	39.2	60.8
CAPE GIRARDEAU, MO.	A	1,219	1,925	1,219	2,007	1,219	1,829	1,219	1,709
	B	32.35	67.65	32.35	67.65	40.82	59.18	40.82	59.18
	C	38.8	61.2	37.8	62.2	40.0	60.0	41.7	58.3
	D	42.3	57.7	41.6	58.4	43.2	56.8	44.1	55.9
	E	40.4	59.6	39.3	60.7	41.5	58.5	42.7	57.3

BETWEEN / AND	Miles and Basis See Page 1	PHOENIX, ARIZ.		LOS ANGELES, CAL.		GUADALUPE, CAL.		SAN FRANCISCO, CAL.	
		So. West	West	So. West	West	So. West	West	So. West	West
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)
BROWNSVILLE, TEX.	A	893	432	893	813	893	1,010	893	1,218
	B	50.0	50.0	50.0	50.0	41.4	58.6	50.0	50.0
	C	67.4	32.6	52.3	47.7	46.9	53.1	42.3	57.7
	D	61.1	38.9	50.8	49.2	47.1	52.9	44.1	55.9
	E	62.6	37.4	51.1	48.9	46.9	53.1	43.3	56.7
HOUSTON, TEX.	A	817	432	817	813	817	1,010	817	1,218
	B	39.77	60.23	39.77	60.23	31.17	68.83	39.77	60.23
	C	65.4	34.6	50.1	49.9	44.7	55.3	40.1	59.9
	D	60.3	39.7	50.0	50.0	46.3	53.7	43.3	56.7
	E	61.6	38.4	50.0	50.0	45.7	54.3	42.2	57.8
SAN ANTONIO, TEX.	A	611	432	611	813	611	1,010	611	1,218
	B	39.77	60.23	39.77	60.23	31.17	68.83	39.77	60.23
	C	58.6	41.4	42.9	57.1	37.7	62.3	33.4	66.6
	D	55.8	44.2	45.3	54.7	41.7	58.3	38.8	61.2
	E	56.6	43.4	44.9	55.1	40.7	59.3	37.2	62.8
AMARILLO TEX.	A	444	432	444	813	444	1,010	444	1,218
	B	47.3	52.7	47.3	52.7	38.7	61.3	47.3	52.7
	C	50.7	49.3	35.3	64.7	30.5	69.5	26.7	73.3
	D	50.0	50.0	39.7	60.3	36.2	63.8	33.4	66.6
	E	50.0	50.0	38.4	61.6	34.5	65.5	31.3	68.7
SPRINGFIELD, MO.	A	1,013	432	1,013	813	1,013	1,010	1,013	1,218
	B	51.0	49.0	51.0	49.0	42.4	57.6	51.0	49.0
	C	70.1	29.9	55.5	44.5	50.1	49.9	45.4	54.6
	D	63.8	36.2	53.7	46.3	50.0	50.0	47.0	53.0
	E	65.5	34.5	54.3	45.7	50.0	50.0	46.4	53.6
CAPE GIRARDEAU, MO.	A	1,219	432	1,219	813	1,219	1,010	1,219	1,218
	B	51.0	49.0	51.0	49.0	42.4	57.6	51.0	49.0
	C	73.8	26.2	60.0	40.0	54.7	45.3	50.0	50.0
	D	66.6	33.4	56.7	43.3	53.0	47.0	50.0	50.0
	E	68.7	31.3	57.8	42.2	53.6	46.4	50.0	50.0

[fol. 225]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

ICC Docket No. 31503 and Sub. Nos.

Exhibit No. MW 139 (HAM-13)

Witness H. A. Mintz

Transcontinental Divisions

ADDITIONAL TESTIMONY OF H. A. MINTZ

* * * * * * *

—17—

[fol. 226]

V.

SCALES OF PRIMARY AND SUBDIVISIONAL FACTORS

For both primary divisions and subdivisions, our group suggests the same scales of divisional factors. Where an origin or destination terminal service is involved, we are suggesting the Docket 28277 Column 1 scale, and, where no such terminal service is involved, we are suggesting the Column 1 scale minus 18 integers, which eliminates the integers in the Column 1 scale reflecting the origin or destination terminal element as described in my Exhibit MW-64 at page 22. Our proposal also provides for a minimum primary division of 15 per cent, which is the minimum primary division prescribed by the Commission in various interterritorial divisions cases and adopted in the settlement agreement of October 4, 1955 relating to divisions on Official-Western Trunk line traffic (Exhibit E-62).

The Docket 28277 Column 1 scale of factors was prescribed by the Commission in 1948 in *Official-Western Trunk Line Divisions*, 269 I.C.C. 765, for application on traffic between Official territory and zone I of Western Trunk Line territory. By the settlement agreement of October 4, 1955, (Exhibit E-62) the carriers parties thereto extended the Docket 28277 Column 1 scale into Colorado and Wyoming.

* * * * * * *

[fol. 227]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

ICC Docket No. 31503 and Sub Nos.

Exhibit No. MW 140 (HAM-14)

Witness H. A. Mintz

Transcontinental Divisions

Proposal of Midwestern Group of Carriers with Respect to Divisions of Transcontinental Rates Involved in Docket No. 31503, Sub No. 1

[fol. 228] Page 1

PROPOSAL OF MIDWESTERN GROUP OF CARRIERS WITH RESPECT TO DIVISIONS OF TRANSCONTINENTAL RATES INVOLVED IN DOCKET NO. 31503, SUB NO. 1

* * * * * * *

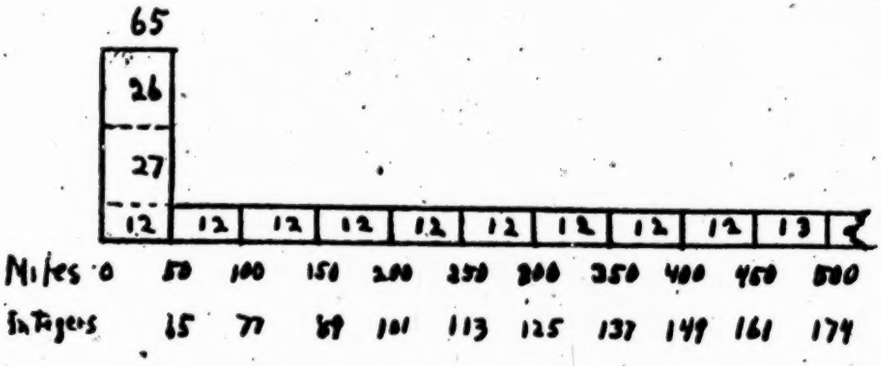
(d) In no case should a primary division be less than 15 percent.

* * * * * * *

Rates of Progression in No. 29886

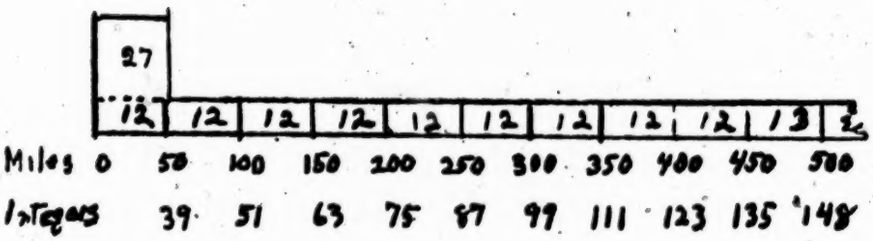
Integer Scales

Column 1 (287 I.C.C. p. 595)



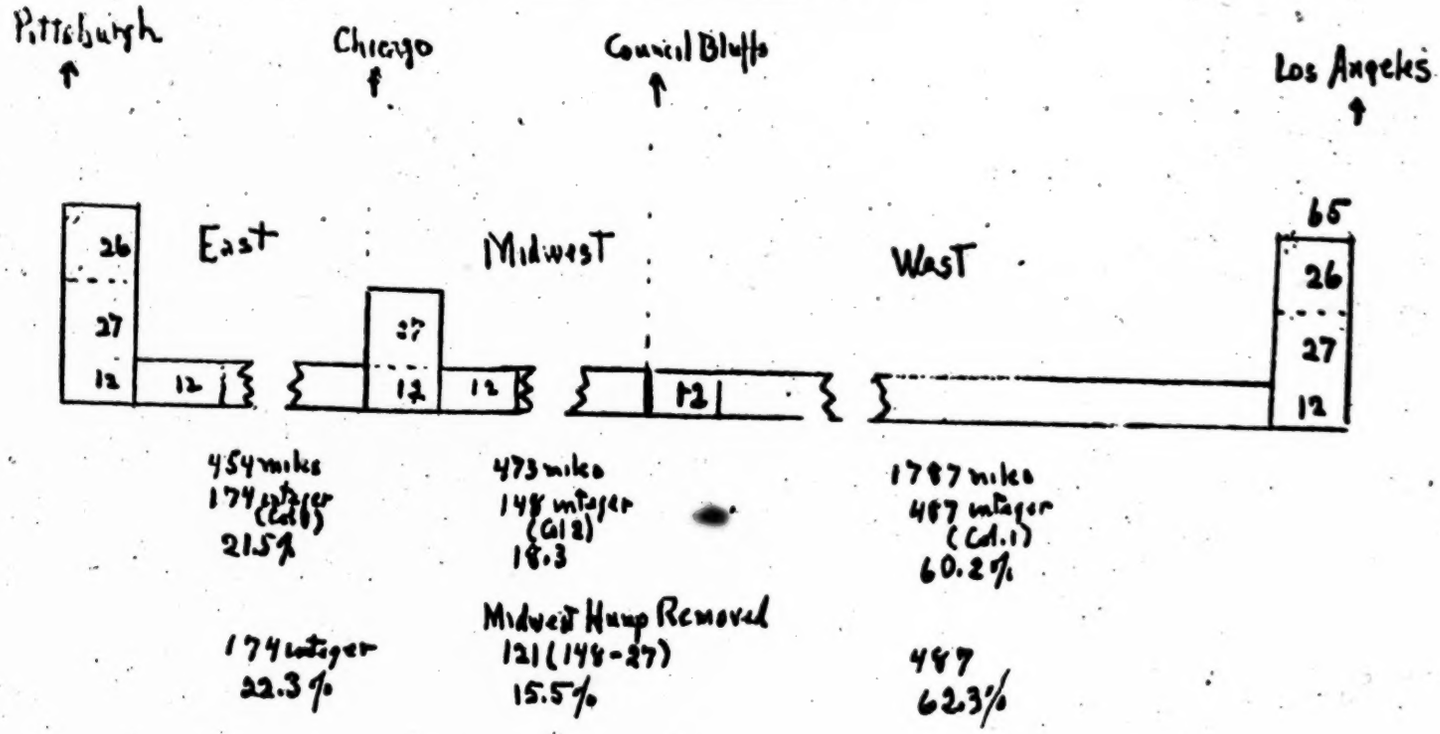
Miles	Integer	Progression
50	65	
100	77	12
150	89	12
200	101	12
250	113	12
300	125	12
350	137	12
400	149	12
450	161	12
500	174	13
...	...	...
1750	475	12
1800	487	12

Column 2



Miles	Integer	Progression
50	39	
100	51	12
150	63	12
200	75	12
250	87	12
300	99	12
350	111	12
400	123	12
450	135	12
500	148	13
...	...	...
1750	449	12
1800	461	12

Pittsburgh – Los Angeles
via Chicago, Council Bluffs



454 miles
174 integer (Col 5)
21.5%

473 miles
148 integer (Col 2)
18.3

1787 miles
487 integer (Col. 1)
60.2%

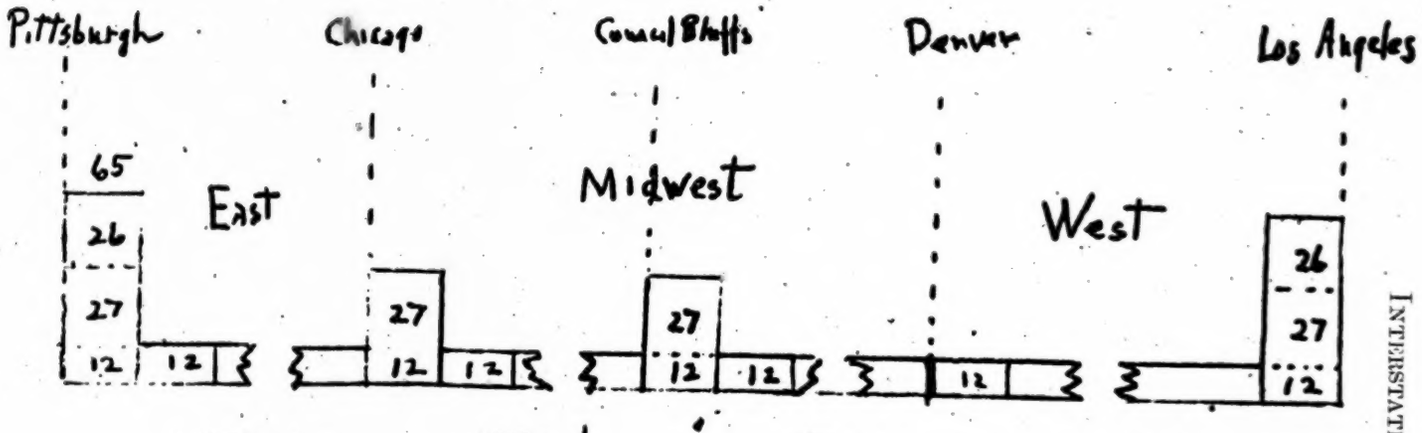
Midwest Hump Removed

174 integer
22.3%

121 (148 - 27)
15.5%

487
62.3%

Pittsburgh – Los Angeles
via Chicago, Council Bluffs, Denver
Through Ogden



454 miles
174 integer (Col 1)
20.6%

473 miles
148 integer (Col. 2)
17.4%

542 miles
160 integer (Col. 4)
18.9%

1252 miles
367 integer (Col. 1)
43.2%

Midwest Humps Removed

174 integer
21.9%

121 (148 - 27)
15.2%

133 (160 - 27)
16.7%

367
46.2%

See Alinta Ex NW 71, pp. 20, 34

[fol. 231]

BEFORE THE
INTERSTATE COMMERCE COMMISSION

Comparison of Terminal and Line-Haul Costs Incurred by The Three Divisions Groups in Handling Transcontinental Traffic Year 1953

Docket No. 31503
and Sub. Nos.
Exhibit MW-150 (WEC-14)
Witness: W. E. Carpenter

Line No.	Item	Between Transcontinental and Official: West (a)	Official: Midwest (b)	Official: East (c)	Midwest: West (d)	Midwest: Midwest (e)
	Terminal					
	Carload costs - dollars	82,873	-	73,803	80,844	63,660
	Tonnage costs - dollars	30,249	-	31,593	33,131	25,383
	Total	113,122	-	105,396	113,975	89,043
	Hundredweight	1,653,920	-	1,653,920	1,812,960	1,812,960
	Cost per cwt. - cents	6.84	-	6.37	6.29	4.91
	Index Midwest = 100	-	-	-	128.11	100.00
	Line-Haul					
	Car-mile costs - dollars	772,271	392,175	405,440	707,166	362,962
	Ton-mile costs - dollars	789,918	316,492	292,002	833,990	361,860
	Total	1,562,189	708,667	697,442	1,541,156	724,822
	Hundredweight-miles	2,710,442,880	1,113,467,520	985,129,500	2,861,664,480	1,273,081,640
	Cost per cwt.-mile - cents	.05764	.06365	.07080	.05386	.05693
	Index Midwest = 100	90.56	100.00	111.23	94.61	100.00

Source: Exhibit No. MW-127, p.2, working papers.

Pro No. 55-E-50

Full Costs in Cents per Hundredweight
Incurred by The Three Divisions Groups
in Handling Transcontinental Traffic
Year 1953

	Between Transcontinental and				
	Official			Midwest	
Miles	West (a)	Midwest* (b)	East (c)	West (d)	Midwest (e)
100	13	6	13	12	11
200	18	13	21	17	16
300	24	19	28	22	22
400	30	25	35	28	28
500	36	32	42	33	33
600	41	38	49**	39	39
700	47	45**	56	44	45**
800	53	51	63	49	50
900	59	57	70	55	56
1000	64	64	77	60	62
1200	76	76	91	71	73
1400	88	89	105	82	85
1600	99**	102	120	92**	96
1800	111	115	134	103	107
2000	122	127	148	114	119

*Does not include origin or destination terminal handling.

**Average Haul, from Exhibit MW-127, pp. 3 and 4.

Source: Exhibit No. MW-_____(Pro No. 55-E-50)

Docket No. 31503
and Sub. Nos.

Exhibit MW-151 (WEC-15)
Witness: W. E. Carpenter

Pro No. 55-E-50

[fol. 233]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket No. 31503 and Sub Nos.

Exhibit T-238 (HJB-2)

Witness: H. J. Bearss

RATES OF RETURN ON AVERAGE NET INVESTMENT—
CERTAIN GROUPS OF CLASS I RAILWAYS

1947 THROUGH 1953

BASES FOR RATES OF RETURN
1947 THROUGH 1953 [fol. 234]

Year	Net Railway Operating Income Adjusted	Net Railway Operating Income Unadjusted	Net Property Investment 1/ Schedule 211M Basis Before Acquisition Adjustment	Net Property Investment 1/ Schedule 211M Basis After Acquisition Adjustment	Net Property Investment 2/ ICC Elements of Value Basis Before Acquisition Adjustment	Net Property Investment 2/ ICC Elements of Value Basis After Acquisition Adjustment
MIDWESTERN GROUP - ALL ROADS, EXCLUDING C&NW AND CStPM&O						
1947	$ 200 200 663	$ 196 966 880	$ 4 336 224 864	$ 4 213 034 486	$ 3 932 104 766	$ 3 808 914 330
1948	234 196 316	230 593 108	4 391 941 695	4 168 370 720	4 016 445 537	3 792 874 562
1949	178 661 784	175 459 679	4 502 779 215	4 217 401 944	4 116 405 593	3 833 028 324
1950	248 645 018	243 074 471	4 608 464 387	4 322 735 184	4 220 104 863	3 934 375 062
1951	203 473 152	201 123 005	4 729 259 346	4 444 327 253	4 374 943 640	4 089 411 553
1952	248 745 258	243 432 973	4 853 590 544	4 568 231 941	4 532 922 111	4 247 563 510
1953	249 966 847	244 880 582	4 947 046 348	4 662 721 939	4 640 189 420	4 355 865 010
MIDWESTERN GROUP - ALL ROADS						
1947	$ 211 610 990	$ 207 050 164	$ 4 951 248 998	$ 4 650 916 527	$ 4 575 874 416	$ 4 275 541 947
1948	247 582 665	242 563 652	5 016 025 070	4 615 416 738	4 668 123 777	4 267 515 445
1949	182 676 847	179 474 742	5 143 995 674	4 681 579 899	4 784 066 572	4 323 650 799
1950	261 277 577	254 258 333	5 257 014 785	4 795 063 639	4 892 819 935	4 430 868 791
1951	210 670 416	207 595 869	5 381 330 870	4 921 069 456	5 049 807 818	4 589 546 403
1952	257 856 464	251 891 011	5 513 500 136	5 056 010 130	5 212 801 063	4 755 311 059
1953	258 321 820	253 235 555	5 615 564 616	5 162 283 652	5 328 415 411	4 875 074 446
3/ MOUNTAIN-PACIFIC GROUP						
1947	$ 203 420 031	$ 196 856 644	$ 5 488 904 500	$ 5 237 446 107	$ 4 556 034 452	$ 4 304 576 059
1948	241 539 458	229 997 688	5 586 144 408	5 325 805 978	4 708 999 625	4 448 661 197
1949	176 998 483	167 845 121	5 738 550 403	5 485 021 551	4 878 358 791	4 628 829 939
1950	285 877 727	272 930 056	5 908 507 988	5 661 309 427	5 031 813 234	4 784 614 673
1951	242 782 740	235 747 593	6 137 059 012	5 892 803 601	5 205 552 961	4 960 696 549
1952	267 627 826	247 491 379	6 341 142 428	6 097 072 238	5 369 143 731	5 119 073 541
1953	260 952 967	240 839 755	6 507 452 318	6 264 556 723	5 513 577 609	5 270 682 014
4/ OFFICIAL TERRITORY						
1947	$ 325 909 288	$ 304 425 660	$10 066 837 273	$10 052 674 030	$ 9 600 526 692	$ 9 586 363 449
1948	447 622 783	429 560 148	10 369 075 188	10 324 707 838	9 835 552 534	9 791 184 584
1949	285 498 770	265 412 997	10 615 507 695	10 572 299 996	10 064 893 557	10 021 685 858
1950	421 854 595	390 784 209	10 759 805 849	10 706 118 891	10 243 139 291	10 189 452 934
1951	411 041 922	382 280 143	11 015 913 494	10 970 766 696	10 571 207 785	10 526 060 987
1952	467 026 370	439 119 817	11 374 707 446	11 336 497 465	10 944 555 391	10 906 345 410
1953	491 100 536	465 338 891	11 590 271 116	11 540 689 965	11 166 450 473	11 116 868 721

[fol. 235]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket No. 31503
and Sub Nos.

Exhibit T-275 (HJB-7)

Witness: H. J. Bearss

TRANSCONTINENTAL DIVISIONS CASES

FUNDS AVAILABLE AND FUNDS REQUIRED
TRANSPORTATION OPERATIONS

CONSIST OF PRINCIPAL GROUPINGS

GROUP	CLASS I ROADS INCLUDED	
1. Principal Mountain-Pacific Roads	Atchison, Topeka & Santa Fe Ry. Co.	Northern Pacific Ry. Co.
	Chicago, Milwaukee, St. Paul & Pacific R. R. Co.	Southern Pacific Co., including Its Leased Lines
	Denver & Rio Grande Western RR Co.	Union Pacific RR Co., including Its Leased Lines
	Denver & Salt Lake RR Co. (through April 10, 1947)	Western Pacific RR Co.
	Great Northern Ry. Co.	
2. Principal Midwestern Roads	Chicago & North Western Ry. Co.	Illinois Central RR Co.
	Chicago, Burlington & Quincy RR Co.	St. Louis-Southwestern Ry. Co., and Subsidiary Companies
	Chicago, Rock Island & Pacific RR Co.	Texas & New Orleans RR Co.
	Burlington-Rock Island RR Co. (through May 31, 1950)	
	Missouri Pacific RR Co.	Texas & Pacific Ry. Co.

FUNDS AVAILABLE AND FUNDS REQUIRED
TRANSPORTATION OPERATIONS
ANNUAL AVERAGE
Five Year Period, 1951 through 1955
(000 omitted)

Item	Principal Mountain-Pacific Roads	Union Pacific RR Co., including Its Leased Lines	Principal Midwestern Roads	Principal Midwestern Roads, excluding C&NW	Principal Official Territory Roads	Principal Official Territory Roads, excluding NYC
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Funds Available from Transportation Operations:						
Net Railway Operating Income-Per Books	$ 231 716	$ 34 115	$ 147 170	$ 140 645	$ 265 292	$ 213 296
Plus Federal Income Taxes on "Other than Transportation Income"	14 989	11 452	4 419	4 143	8 581	5 643
Net Railway Operating Income-Adjusted	246 705	45 567	151 589	144 788	273 873	218 939
Plus Income from Refrigerator Car Lines, Pullman Co., etc., included in Other Income	8 718	3 917	(10)	(30)	14 980	8 227
(a) Total	255 423	49 484	151 579	144 758	288 853	227 166
(b) Non-Cash Charges to Income: Depreciation Accruals, Retirement Charges and Other Reserves	124 799	24 232	72 883	59 389	152 966	113 039
(c) Total Funds Available from Transportation Operations	380 222	73 716	224 462	204 147	441 819	340 205
2. Funds Required for Fixed Charges and Contingent Interest (Transportation portion) 1/	56 164	4 681	45 205	39 308	135 248	93 375.
3. Balance	324 058	69 035	179 257	164 839	306 571	246 830
4. Funds required for Transportation Capital Expenditures:						
(a) Expenditures for Roadway and Equipment, including installment payments on Equipment Obligations	344 451	70 163	199 290	164 927	386 662	280 775
(b) Less: Funds Available from New Money:						
From Stocks issued 2/	493	-	-	-	-	-
From Bonds issued 2/	-	-	-	-	-	-
From Equipment Obligations issued	65 487	3 662	57 781	46 889	138 292	97 899
(c) Total Funds Required for Transportation Capital Expenditures out of Railroad Operations	278 471	66 501	141 509	118 038	248 370	182 876
5. Balance Available for Stockholders	45 587	2 534	37 748	46 801	58 201	63 954
6. Stockholders' Equity Portion of Average Net Investment in Transportation Property 3/	4 250 063	936 686	2 106 605	1 857 416	4 167 140	3 120 915
7. Percentage of Funds Available from Transportation Operations to Stockholders' Equity in Average Net Investment (line 5 ÷ line 6)	1.07%	.27%	1.79%	2.52%	1.40%	2.05%

1/ Portion of fixed charges related to transportation determined by percentage of gross investment in transportation properties, including investment in Refrigerator Car Lines and Pullman Company, to total gross investment.
2/ Not including funds derived from sale of securities for refinancing operations.
3/ Portion of net investment in transportation properties, including investment in Refrigerator Car Lines and Pullman Company, determined by percentage of capital stock and surplus to total capitalization.

( ) Denotes deficit.

FUNDS AVAILABLE AND FUNDS REQUIRED
TRANSPORTATION OPERATIONS
ANNUAL AVERAGE
Eight Year Period, 1948 through 1955
(000 omitted)

Item	Principal Mountain-Pacific Roads	Union Pacific RR Co., including Its Leased Lines	Principal Midwestern Roads	Principal Midwestern Roads, excluding C&NW	Principal Official Territory Roads	Principal Official Territory Roads, excluding NYC
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Funds Available from Transportation Operations:						
Net Railway Operating Income-Per Books 4/	$ 226 990	$ 34 873	$ 146 959	$ 140 140	$ 246 516	$ 200 644
Plus Federal Income Taxes on "Other than Transportation Income"	12 999	9 753	4 118	3 595	9 278	6 380
Net Railway Operating Income-Adjusted	239 989	44 626	151 077	143 735	255 794	207 024
Plus Income from Refrigerator Car Lines, Pullman Co., etc., included in Other Income	5 126	2 688	(47)	(57)	18 651	12 176
(a) Total	245 115	47 314	151 030	143 678	274 445	219 200
(b) Non-Cash Charges to Income: Depreciation Accruals, Retirement Charges and Other Reserves	114 950	23 096	69 990	56 933	145 914	106 779
(c) Total Funds Available from Transportation Operations	360 065	70 410	221 020	200 611	420 359	325 979
2. Funds Required for Fixed Charges and Contingent Interest (Transportation portion) 1/	55 903	4 993	45 435	39 677	137 397	97 309
3. Balance	304 162	65 417	175 585	160 934	282 962	228 670
4. Funds required for Transportation Capital Expenditures:						
(a) Expenditures for Roadway and Equipment, including installment payments on Equipment Obligations	348 409	68 369	189 448	155 965	384 476	282 983
(b) Less:						
Funds Available from New Money:						
From Stocks issued 2/	483	-	-	-	-	-
From Bonds issued 2/	4 602	-	-	-	-	-
From Equipment Obligations issued	72 712	3 303	58 238	47 636	147 082	106 644
(c) Total Funds Required for Transportation Capital Expenditures out of Railroad Operations	270 612	65 066	131 210	108 329	237 394	176 339
5. Balance Available for Stockholders	33 550	351	44 375	52 605	45 568	52 331
6. Stockholders' Equity Portion of Average Net Investment in Transportation Property 3/	4 012 602	868 263	1 998 470	1 755 442	4 062 090	3 027 096
7. Percentage of Funds Available from Transportation Operations to Stockholders' Equity in Average Net Investment (line 5 ÷ line 6)	.84%	.04%	2.22%	3.00%	1.12%	1.73%

1/ Portion of fixed charges related to transportation determined by percentage of gross investment in transportation properties, including investment in Refrigerator Car Lines and Pullman Company, to total gross investment.
2/ Not including funds derived from sale of securities for refinancing operations.
3/ Portion of net investment in transportation properties, including investment in Refrigerator Car Lines and Pullman Company, determined by percentage of capital stock and surplus to total capitalization.
4/ Years 1948 through 1950 restated to transfer from Account 509 to Rent Income accounts, rental on cars leased to Pullman Company and Refrigerator Car Lines, to conform to accounting prescribed by Interstate Commerce Commission for subsequent years.

( ) Denotes deficit.

FUNDS AVAILABLE AND FUNDS REQUIRED
TRANSPORTATION OPERATIONS
ANNUAL AVERAGE
Ten Year Period, 1946 through 1955
(000 omitted)

Item	Principal Mountain-Pacific Roads	Union Pacific RR Co., including Its Leased Lines	Principal Midwestern Roads	Principal Midwestern Roads, excluding C&NW	Principal Official Territory Roads	Principal Official Territory Roads, excluding NYC
(1)	(2)	(3)	(4)	(5)	(6)	(7)
1. Funds Available from Transportation Operations:						
Net Railway Operating Income-Per Books 4/	$ 217 206	$ 34 301	$ 143 748	$ 136 357	$ 226 763	$ 186 069
Plus Federal Income Taxes on "Other than Transportation Income"	8 703	8 442	3 929	3 308	8 596	5 983
Net Railway Operating Income-Adjusted	225 909	42 743	147 677	139 665	235 359	192 052
Plus Income from Refrigerator Car Lines, Pullman Co., etc., included in Other Income	4 441	2 625	(60)	(67)	21 338	15 165
(a) Total	230 350	45 368	147 617	139 598	256 697	207 217
(b) Non-Cash Charges to Income: Depreciation Accruals, Retirement Charges and Other Reserves	108 407	21 709	67 375	54 824	140 445	102 556
(c) Total Funds Available from Transportation Operations	338 757	67 077	214 992	194 422	397 142	309 773
2. Funds Required for Fixed Charges and Contingent Interest (Transportation portion) 1/	56 683	5 745	47 680	41 988	137 172	98 046
3. Balance	282 074	61 332	167 312	152 434	259 970	211 727
4. Funds required for Transportation Capital Expenditures:						
(a) Expenditures for Roadway and Equipment, including installment payments on Equipment Obligations	317 450	63 317	177 750	146 249	352 494	261 240
(b) Less: Funds Available from New Money:						
From Stocks issued 2/	386	-	-	-	-	-
From Bonds issued 2/	3 682	-	-	-	-	-
From Equipment Obligations issued	72 161	6 718	52 991	42 263	136 2[illegible]	99 221
(c) Total Funds Required for Transportation Capital Expenditures out of Railroad Operations	241 221	56 599	124 759	103 986	216 [illegible]43	162 019
5. Balance Available for Stockholders	40 853	4 733	42 553	48 448	4 727	49 708
6. Stockholders' Equity Portion of Average Net Investment in Transportation Property 3/	3 877 057	819 3[illegible]	1 901 016	1 663 047	4 001 939	2 974 774
7. Percentage of Funds Available from Transportation Operations to Stockholders' Equity in Average Net Investment (line 5 ÷ line 6)	1.05%	.58%	2.24%	2.91%	1.09%	1.67%

1/ Portion of fixed charges related to transportation determined by percentage of gross investment in transportation properties, including investment in Refrigerator Car Lines and Pullman Company, to total gross investment.
2/ Not including funds derived from sale of securities for refinancing operations.
3/ Portion of net investment in transportation properties, including investment in Refrigerator Car Lines and Pullman Company, determined by percentage of capital stock and surplus to total capitalization.
4/ Years 1946 through 1950 restated to transfer from Account 509 to Rent Income accounts, rental on cars leased to Pullman Company and Refrigerator Car Lines, to conform to accounting prescribed by Interstate Commerce Commission for subsequent years.

( ) Denotes deficit.

[fol. 240]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket 31503 and Sub Nos.

Exhibit T-294 (VPB-1)

Witness: V. P. Brown

Transcontinental Divisions Cases

Testimony of V. P. Brown

[fol. 241]

Transcontinental Traffic and Rates

My next exhibit, T- (VPB-3), presents information on the "peculiar problems" inherent in the transcontinental rate adjustment. Full development of characteristics of transcontinental rates is essential in this proceeding, not only because these are the rates being divided, but because the different and depressed character of the transcontinental rate structure does not bear equally on the participating group of roads, but affects the Mountain-Pacific roads in disproportionate degree. The 1953 traffic study shows that, while transcontinental traffic contributes about 6% of the revenue of the Eastern roads and about 17% of the revenue of the Midwestern roads, the transcontinental roads are dependent on this traffic for 50% of their total freight revenue. With this great difference in the relative importance of transcontinental to total traffic, the nature of the transcontinental rate structure is of dominant importance to the revenue needs of the Mountain-Pacific roads but is of only incidental importance to the Eastern and Midwestern roads.

Because of the twin pressures of market and transportation competition detailed in my exhibit, the transcontinental rates produce far lower revenues per ton mile than are obtained from the same commodities moving within Eastern and Midwestern territories. Inter-coastal water competition, on both the Eastbound and Westbound transcontinental traffic, has forced rates far below reasonable maximum levels. Market competition has also had a very

—12—

[fol. 242] depressing effect upon the transcontinental rates, and is particularly intense in the Eastbound transcontinental traffic, resulting in a very depressed level of rates needed to move foodstuffs and raw material produced in Mountain-Pacific territory into the consuming centers of the Midwest and East in competition with similar commodities produced in other areas and enjoying much shorter hauls to the same markets. The producers of the far West are in most instances utterly dependent upon extremely low rail rates to reach their markets.

This intense market competition on transcontinental traffic differs from transportation competition applicable in varying degrees to all traffic in that the entire economy of great areas of the far West rely upon rail transportation and rail rates which will move their products to market. As a result, the Commission has required that transcontinental rates be maintained at extremely depressed levels in the interest of the public. In addition to the cases involving individual commodities, market competition has been cited as the primary factor in the holddowns ordered by the Commission in every post-war general increase proceeding. As previously shown, these holddowns have a very depressing effect on the revenue per ton mile produced by transcontinental traffic with each round of the wage-rate spiral.

The distinctive character of the transcontinental rate structure is reflected in the fact that none of the transcontinental rates are constructed in relation to a distance scale. In the East, South and Midwest, traffic moves in vol-

—13—

[fol. 243] ume on class rate scales and on commodity rates directly related to class rates or similarly constructed distance scales. For example, Witness Johanson testified in the Official-Southwestern Divisions Case, Docket 29886, that practically every commodity involved in that proceeding moved on a class rate distance scale or on commodity rates directly related to a class rate scale (Exhibit 288, pp. 34-35). In contrast, the transcontinental traffic moves at rates that are not related, directly or indirectly, to a distance scale but are, instead, governed by the market and water competitive forces affecting the commodity. The result has been the establishment of a large body of commodity rates made without reference to distance scales.

* * * * * * *

—14—

[fol. 244]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket 31503 and Sub Nos,

Exhibit No. T-296 (VPB-3)

Witness: V. P. Brown

The Transcontinental Movement:

The Nature of the Traffic and the Depressed Character of the Rates

—1—

[fol. 245]

Forest Products

Forest Products, including lumber, plywood, woodpulp and other related articles, make up the most important single segment of the Eastbound transcontinental traffic. The forests which cover nearly one half of the land in the Pacific Northwest contain 46% of the nation's total

saw timber value and 57% of the softwood saw timber and supply 35% of the nation's annual cut of saw timber. The economy of this great section of the country is utterly dependent upon the forests and the forest products industry. To support that economy, the bulk of the production must be marketed in the consuming centers of the East and Middle West in competition with similar products from other sections of the country closer to the consuming centers and from foreign sources.

The statement on the opposite page shows the areas of production of forest products in the United States. This statement shows the production in Mountain-Pacific territory and the large production adjacent to and East of the Mississippi River with which the production in the far west must compete in the centers of population in the Middle West and East.

Ever since the earliest production of lumber in the Pacific Northwest the twin forces of water competition and

—2—

[fol. 246] market competition have forced the establishment of depressed rail rates in order to permit lumber from the Pacific Northwest to move to the East and Midwest.

Appendix B, attached, is a history of the rates on lumber from the Pacific Northwest to the Midwest and East. Prior to August 24, 1921, there were through rates to points in Trunk Line and New England territories primarily predicated upon the strong water competition existent to the Atlantic Seaboard, and through rates to Chicago, St. Louis and Mississippi River points and the territory west thereof, primarily based on the necessity of meeting market competition of lumber from the white pine areas in Minnesota, Wisconsin and Michigan, and the lumber produced in the South and Southwest. The report of the Commission in *Oregon and Washington Lumber Manufacturers Association*, 14 ICC 1 (1908) stated at page 6:

"The forest products of the Pacific Coast compete in all of the territories covered by the rates in contro-

versy with yellow pine, cypress and a limited amount of white pine."

Effective December 24, 1921, the rates from the Pacific Coast to Trunk Line and New England territories were reduced to meet resurgent water competition through the Panama Canal and through rates were established to Central Freight Association territory. The rate structure and the strong competition with Southern and Southwestern Lumber is detailed in the report of the Commission in *West Coast Lumberman's Association* v. *ACY Railway Co.*, 183 ICC 191, 192 ICC 346, where the rates were found not unreasonable.

—3—

[fol. 247] Subsequently in the 1930's water competition via the Panama Canal to the Atlantic Seaboard and subsequent water and truck transportation beyond, and movement via Gulf Ports and barge beyond to the Mississippi River and its tributaries, forced the establishment of reduced rates on rough lumber which applied in wide blankets throughout Official territory. The background of and bases for these rates is explained in *Lumber from Pacific to Eastern Points*, 219 ICC 317, in which proceeding the rates were permitted to become effective. The rates on rough lumber grade upward from the Pacific Northwest into the Midwest, but reach a maximum rate as far inland as Chicago, and this same rate blankets all the way to the Atlantic Seaboard.

In the post-war general increases cases the resurgence of water competition via the Panama Canal, and the long standing and still active market competition from Southern and Southwestern lumber necessitated the observation of maxima or hold downs in applying the percentage increases authorized by the Interstate Commerce Commission. Of particular importance in recent years has been the heavy lumber movement from British Columbia to Official territory in foreign ships. This is a matter of great concern to the economy of our Pacific Northwest since this foreign competition, to a greater degree than water competition

which shifts the transportation between different carriers and perhaps different sections of Oregon and Washington,

—4—

[fol. 248] injures the economy of this important section of our country. Thus, there is a great public interest in rail rates which enable United States producers to reach their markets.

• • • • • • •

—5—

[fol. 249]

Fresh Fruits and Vegetables

Another large segment of the economy of the Far West is based upon the great production of fresh fruits and vegetables in certain areas of Mountain-Pacific territory, principally in the states of California, Arizona, Oregon, Washington and Idaho.

These producing areas have been able by careful marketing and by the cooperation of the rail lines, to build up a great production of fruits and vegetables. These fruits and vegetables have been produced by operations, economical only under volume production, in quantities far beyond the requirements of Mountain-Pacific territory and must be sold to consumers in the populous East and Midwest if the whole economy of these areas of Mountain-Pacific territory is to be maintained. These fruits and vegetables hold no monopoly on the markets but on the contrary must meet the strong competition of other producing areas much closer to the major markets.

—15—

[fol. 250] Citrus fruits from Mountain-Pacific territory meet the strong competition of producers in Florida who have the two-fold advantages of location much closer to the major consuming markets and availability of water transportation at low rates.

The report of the Crop Reporting Board of the Agricultural Marketing Service of the United States Department of Agriculture, dated October, 1955, shows that in the 1954-1955 season 72 percent of the total tonnage of

oranges and tangerines was grown in Florida; 26 percent in California; 1.2 percent in Texas; 0.7 percent in Arizona and 0.1 percent in Louisiana. Of the 1954-1955 tonnage of grapefruit, 84 percent was grown in Florida; 6 percent in Texas; 5 percent in California and 5 percent in Arizona.

This report also shows that about 66% of the Florida production of oranges utilized for sales and 45% of the Florida production of grapefruit utilized for sales was processed. California processing percentages were only 28% for oranges and 29% for grapefruit. The principal product of processing was frozen concentrates. These production comparisons emphasize the character of the competition met by Mountain-Pacific producers.

The map on the opposite page, prepared by the United States Department of Agriculture, shows the areas of orange production in the United States and amply illustrates the problem of the Western growers located in the farthest corner of Mountain-Pacific territory while their major competitors are more favorably located in relation to the consuming markets.

—16—

[fol. 251] The history of the transcontinental rates on oranges, attached as Appendix D, shows the competitive conditions that necessitated a series of rate reductions to meet competition.

The force of this competition is shown by the following comparison taken from the Commission's one percent carload termination study for the year 1953.

Commodity Class 061, Oranges and Grapefruit

From	To	Average Haul	Average Rate	Revenue Per Ton Mile
South	Official	1162	118¢	2.03¢
Mt.-Pacific	Official	2712	182	1.34

This disparity in ton-mile earnings reflects the depressed character of the transcontinental rates and cannot be ac-

counted for by the spreading of terminal costs over the greater length of haul. Under a cost scale, the ton-mile earnings for the 2712 mile haul would be 93.9% of the earnings for a 1162 mile haul. The actual ton-mile earnings for the long haul transcontinental traffic are actually but 66.0% of the short haul traffic from the South.

The depressed nature of the Transcontinental citrus rates is also made plain by the extensive blanketing of the rates established to the Eastern Seaboard because of Florida competition. The vast area blanketed on a single rate now covers all of the area east of Des Moines, Iowa, and Little Rock, Arkansas.

• • • • • • •

—17—

[fol. 252]

WESTBOUND TRANSCONTINENTAL TRAFFIC

Mountain-Pacific territory has traditionally and historically been a market for the finished products of the East and Midwest. The westbound transcontinental movement consists almost entirely of finished products, nearly 90% of the revenue being produced by the commodities included in the groups Manufactures and Miscellaneous and Forwarder.

Consisting of finished products, the great part of this westbound transcontinental traffic reaches the end of its transportation in the far West and produces no additional revenue for the Mountain-Pacific railroads. On the other hand, the majority of this traffic produces substantial revenue to the Eastern and Midwestern railroads on the movement of materials inbound to the points of manufacture of the finished products.

A breakdown of the commodity groups making up the westbound transcontinental movement from Official and Midwestern territories obtained from the 1953 traffic study,

is shown in Appendix A. In summary, the important commodities are:

	Cars	Tons	Revenue
Vehicle Parts	10.63%	7.71%	11.60%
Iron & Steel Articles	8.83	13.62	9.89
Motor Vehicles	4.93	2.53	5.50
War Materials	2.77	4.91	10.14
Machinery and Parts	4.60	4.10	6.21
Other Manufactures and Miscellaneous	37.16	35.14	35.11
Forwarder	15.00	6.94	10.44
Other	16.08	25.05	11.11
	100.00%	100.00%	100.00%

—43—

[fol. 253] Because of the availability of water routes there was no real demand for Transcontinental rail rates when the first Transcontinental rail route was completed in 1869. The long history of the vigorous fight of Mountain-Pacific railroads to participate in westbound traffic against the water routes and to open up the natural resources of the West has always been marked by the reluctance or at best the apathy of the rail lines in other territories because of their ability to participate in the traffic with water lines by handling it to Atlantic or Gulf port cities at full local rates, as contrasted with receiving divisions of depressed long haul through rates.

The War Materials traffic in the 1953 traffic study was largely temporary traffic, as will be shown. Overall, the westbound transcontinental traffic is shown by the traffic study to be predominantly in the category of manufactured finished products or their finished component parts. Generally, for all railroads, this type of traffic is considered the highest rated traffic. However, the severe transportation competition provided by the intercoastal water routes connecting with barge, truck and rail transportation to the Atlantic and Gulf ports has strongly depressed the westbound

rate structure below the levels that normally apply on finished articles.

The severity of the water competition which is intensified by the concentration of population on the Pacific seaboard in a limited number of metropolitan areas, has resulted in a rate level on westbound commodities which does not reflect a normal progression of commodity rates as dis-

—44—

[fol. 254] tance increases. Instead, long blankets of rates extend back into the Eastern parts of Mountain-Pacific territories and in some cases back into the edge of Southwestern and Western Trunk Line territories. In other words, whereas the rate level was controlled in a major degree on eastbound traffic by market competition, the historic pattern on westbound Transcontinental traffic has been a rate structure shaped primarily by the strong force of water competition originally in service around the Horn, later over the Isthmus of Tehauantepec route and finally and permanently through the Panama Canal.

The Eastern and Midwestern roads participate in rates on finished products moving intra-territorially and inter-territorially east of Mountain-Pacific borders which rates increase with distance. However, the Mountain-Pacific roads' participation in such traffic is in the area where the rates blanket and ton-mile earnings decline materially, because of the water depressed Pacific Coast rates. Moreover, the bulk of the Mountain-Pacific traffic is handled to the population concentrated on the Pacific Coast rim of states where the ton-mile earnings are reduced to the greatest extent.

This form of rate structure means that, whereas the Eastern and Midwestern roads are able to obtain earnings per ton-mile commensurate with the high rated character of this traffic, the Mountain-Pacific roads only participate on the hauls of this traffic at a greatly depressed level of ton-mile earnings. This progression is typical of all of the rates on finished articles from the East and Midwest to the West. The present rates on numerous important

westbound transcontinental commodities to Pacific Coast

[fol. 255] terminal cities are the same as the rates to Butte, Montana, Salt Lake City, Utah, and Phoenix, Arizona. Representative examples of commodities where the rates to the Pacific Coast cities blanket back through Mountain-Pacific territory to and through these interior points are:

Commodity	Origin	Rate in cents subject to X-175, X-196	Min. Weight
Agric. Implts.	Detroit, Mich.	273	44,000
" "	Chicago, Ill.	257	44,000
Auto Parts	Chicago, Ill.	279	30,000
Bakery Goods	New York, N. Y.	322	32,000
Baking Powder	Chicago, Ill.	157	50,000
Candy, Confectionery	Hershey, Pa.	(360	36,000
		(265	60,000
Canned Goods	New York, N. Y.	(210	40,000
		(164	60,000
Soap, Cleaning Comp.	Cleveland, Ohio	183	40,000
Drugs, Toilet Prep.	Indianapolis, Ind.	267	30,000
Electric Motors	New York, N. Y.	355	40,000
Engines, Int. Comb.	Chicago, Ill.	257	44,000
Matches	Chicago, Ill.	210	40,000
Paint	New York, N. Y.	254	50,000
Refrigeration Equip.	Grand Rapids, Mich.	281	18,000
Sheet Steelware	Chicago, Ill.	250	24,000
Stoves, Gas	Mansfield, Ohio	257	25,800
Tires, Rubber	Chicago, Ill.	250	40,000
Washing Machines	Chicago, Ill.	304	18,000

All Rates from TCFB Tariff 1-E ICC 1573 W. J. Prueter, Agt.

The depressed character of the westbound transcontinental rates is further shown in comparison of the ton-mile earnings on the traffic to Mountain-Pacific territory with the earnings on like traffic in other territory, as shown by the Commission's 1% waybill sample. These comparisons are based on a group of important finished commodities and are typical of the rate situation on the other commodities making up the Westbound transcontinental movement.

—46—

[fol. 256] *Finished Articles*

Traffic	Average Haul	Average Rate	Revenue per Ton Mile
Official Intraterritorial	414 Miles	87¢	4.22¢
Midwest	520	120	4.61
Official-Midwest Interterritorial except to or from Mountain-Pacific	886	166	3.75
Westbound Transcontinental	2336	340	2.91

Source: Statement TD-1, Year 1953, for Commodities 591, 595, 623, 625, 627, 685, 687, 689, 691, 695, 705, 707, 709, 711, 715, 719, 737, 739, 741 and 743.

These wide disparities in earnings are not, of course, the normal depression that would occur because of the spreading of terminal costs over the longer distances that characterize the hauls to Mountain-Pacific territory. For example, depression in ton mile earnings on United States Fully Distributed Cost Scale (Appendix A Exhibit T-

(AJS-1)) compares with the depression in earnings on finished articles above, as follows:

Traffic	Revenue Per Ton Mile	Official Index 100	Average Costs on Ton Mile Basis	Official Index 100
Official Intraterritorial	4.22¢	100	2.02¢	100
Midwest Intraterritorial	4.61	109	1.88	93
Official-Midwest Interterritorial except to or from Mountain Pacific	3.75	89	1.72	85
Westbound Transcontinental	2.91	69	1.53	76

This shows that the ton mile earnings in Official Midwestern territories are much higher than the ton mile

—47—

[fol. 257] earnings on the same commodities moving transcontinentally, and that the retrogression of earnings on the transcontinental traffic is greater than the spreading of terminal costs would warrant.

Starting with the structure of westbound transcontinental rates depressed by water competition and held as maxima through intermediate points in long blankets found not unreasonable in Director General v. Intermediate Rate Assn., 61 ICC 226, the great resurgence of water competition through the 1920's and 1930's resulted in a further erosion of the rate level which affected practically every commodity in the westbound transcontinental movement. The compelling factors were direct intercoastal water transportation and combinations of truck, rail or barge transportation to Atlantic and Gulf Ports and intercoastal water hauls beyond. These competitive factors have required the continued maintenance of these depressed rates. In fact, many further reductions have been compelled in recent years by such competitive circumstances affecting particular commodities.

Appendix E, attached, shows the history of the transcontinental rates on 24 commodities of general usage. Each chronological history is accompanied by an explanation of the changes. The selected starting point for the rate histories is the water depressed rate adjustment in 1922 approved in the Intermediate Rate Association case, as reduced by the downward revision in Reduced Rates of 1922 (73 ICC 189).

The reasons for the competitive reductions shown in these typical histories are in several categories related to water competition through the Panama Canal and extend

—48—

[fol. 258] through the entire period 1922 to the present, including changes made in the years following World War II.

Representative examples of the variety of rate adjustments shown on these commodities are the reductions to avoid diversion of traffic from the Atlantic Seaboard to intercoastal water routes on books, candy, canned goods, carpets and linoleum, glassware, machinery, magazines, paint and radios; changes to avoid diversion of traffic to rail and water routes via the Panama Canal on baking powder, coffee, iron and steel articles, glassware, machinery, refrigerators and tires; changes to avoid diversion of traffic to truck and water routes via the Panama Canal on chocolate coating and copper wire and cable; changes to meet barge and intercoastal water competition on agricultural implements, baking powder, batteries, glassware, malt liquors, sheet steelware. It is pertinent to point out that this competition, plus additional illustrated examples of competitive all water routes via lake, barge and Panama Canal on automobile parts and malt liquors, covered in their scope practically all of Eastern and Midwestern territory.

Also important in considering the broad effect of water competition on the entire Transcontinental rate structure was the decision of the Commission in *Colorado Fuel and Iron Co.* v. *Director General, ATSF Ry. Co.*, 57 ICC 253, where the Commission, in a proceeding involving rates

on iron and steel articles from Minnequa, Colorado to the Pacific Coast, required that rates from Minnequa be made 77% of the rates from Chicago to the Pacific Coast. Therefore, the compelling influence of intercoastal water com-

—49—

[fol. 259] petition with its corollary services of other transportation agencies to Atlantic and Gulf Ports covers the rate structure from all the Transcontinental origin groups in the East and Midwest.

Also shown in these rate histories are reductions made to permit midwestern manufacturers to compete on the Pacific Coast with shippers close to the Atlantic Seaboard who were using low cost water transportation to the Pacific Coast areas. Particular examples are explained in the rate histories on automobile bodies, candy, coffee, glassware, malt liquors, sheet steelware, stoves, wallboard and copper wire and cable.

The converse situation of reductions made to permit shippers in groups A, B and C in eastern territory to meet the competition of shippers in the Chicago area and Middle West who had available low cost barge and intercoastal water routes is illustrated in changes made on books, canned goods, glassware, malt liquors and sheet steelware.

The broad diffusion of industrial capacity throughout the East and Midwest has for practical purposes generally required that the rates from the entire area should be geared to the greatest extent possible to the producing area having the lowest available cost via competitive transportation routes. Where this low cost was available to Midwest shippers over barge-Intercoastal routes, Eastern shippers have been given a reasonably related basis. And, where the shippers on or adjacent to the Atlantic Seaboard have had advantages in water transportation costs Midwestern shippers have been given adjustments consistent

—50—

[fol. 260] with the practical necessities of the situation.

In all instances the heavy concentrations of population in the areas of the Pacific Port cities have centered the problems of the competing producing areas along the Seaboard and the resulting rates have applied in long blankets

which have applied throughout Mountain-Pacific territory until they met the graded adjustments predicated upon distance which built up progressively from the producing areas throughout Eastern, Western Trunk Line and Southwestern territories and into the eastern portion of Mountain-Pacific territory.

The water competition through the canal is a live and vital force and has been forcing reductions in the westbound Transcontinental rates since the close of World War II. Important illustrations in the rate histories are candy, canned goods, carpets and linoleum, wallboard and copper wire and cable.

In each of these cases the reduced rates forced by the water competition applied as maxima back to and through Butte, Salt Lake City and Phoenix, Arizona.

* * * * * * *

—51—

[fol. 261]

(VPB-3)
Appendix B
page 1

HISTORY OF RATES IN CENTS PER 100 LBS. ON LUMBER CARLOADS FROM PACIFIC COAST GROUP

Effective Date	TO Chicago	New York	Reference
*	*	*	*
March 7, 1956	129½	(148½ (X 136	P

Reference Mark

X — Applies on Rough Lumber i.e. Lumber the product of saw and planing mills; not further advanced in manufacture than by sawing, resawing and passing lengthwise through a standard planing machine cross cut to length and end matched.

* * * * * * *

[fol. 262]

(VPB-3)
Appendix D
page 1

HISTORY OF THE RATES ON ORANGES FROM CALIFORNIA

Date	Rates in Cents per 500 lbs. To Group A (New York)	To Group D (Chicago)	To Group F (Kansas City)	Reference
* *	* *	* *	* *	*
March 7, 1956	191	191	176	R
* *	* *	* *	* *	*

[fol. 263]

(VPB-3)

APPENDIX E

CHRONOLOGICAL HISTORY OF TRANSCONTINENTAL RATES ON COMMODITIES OF GENERAL USAGE FROM EASTERN AND MIDWESTERN TERRITORIES TO THE PACIFIC COAST

The rates in this exhibit are in all cases those published to South Pacific Coast destinations. With minor exceptions, the rates to North Coast points from the representative eastern origins shown herein are the same as to South Coast, although there have been differences in effective dates, and temporary differences during past years. South Coast tariffs were chosen for histories in the interest of simplification.

Rates shown in this exhibit are exclusive of Ex Parte 175 and Ex Parte 196 increases.

References to tariff items in headings are to T.C.F.B. Tariff 1-C, ICC 1559 of Agent W. J. Prueter.

Agricultural Implements, other than hand, and other articles in Item No. 3070

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	24,000	277½	258	249	240	234	214½	1	A
2	Oct. 1, 1923	24,000	277½	267	200	193	186	172	2	B
3	Mar. 1, 1924	24,000	221	267	200	193	186	172	3	B
4	Sept. 26, 1930	24,000	221	267	200	193	186	172	14	C
5		40,000	—	—	—	162	154	146		
6	Jan. 15, 1931	24,000	221	267	200	193	186	172	15	C
7		40,000	191	178	170	162	154	146		
8	Jan. 4, 1932	24,000	223	269	202	195	188	174	17	D
9		40,000	196	180	172	164	156	148		
10	Mar. 17, 1933	24,000	223	269	202	195	188	174	19	E
11		40,000	196	180	172	164	156	148		
12		50,000	—	—	—	142	142	142		
13	Apr. 16, 1933	24,000	223	269	202	195	188	174	19	E
14		40,000	196	180	172	164	156	148		
15		50,000	172	157	150	142	142	142		
16	Oct. 1, 1933	24,000	221	267	200	193	186	172	20	F
17		40,000	194	178	170	162	154	146		
18		50,000	170	155	148	140	140	140		
19	Apr. 18, 1935	24,000	226	212	205	198	191	177	21	G
20		30,000	199	183	175	167	159	151		
21		50,000	175	160	153	145	145	145		
22	Sept. 28, 1936	24,000	226	212	205	198	191	177	23	H
23		31,000	—	—	—	167	159	151		
24		40,000	199	183	175	—	—	—		
25		41,000	—	—	—	145	145	145		
26		50,000	175	160	153	—	—	—		
27	Sept. 30, 1936	24,000	226	212	205	198	191	177	23	H
28		31,000	199	183	175	167	159	151		
29		40,000	175	160	153	145	145	145		
30	Mar. 28, 1938	24,000	213	228	220	212	205	189	24	I
31		31,000	213	196	187	178	169	161		
32		41,000	187	171	163	154	154	154		
33	Jan. 1, 1947	24,000	298	279	270	260	251	227	32	J
34		31,000	261	240	229	218	207	193		
35		41,000	229	209	200	189	189	185		
36	Aug. 21, 1948	24,000	373	349	338	325	314	272	32	K
37		31,000	326	300	286	273	259	232		
38		41,000	286	261	250	236	236	222		
39	Sept. 1, 1949	24,000	407	380	368	354	342	294	42	L
40		31,000	355	327	312	298	282	251		
41		41,000	312	284	273	257	257	240		
42	Feb. 1, 1951	24,000	407	380	368	354	319	294	33	M
43	to present	31,000	355	327	312	298	264	251		
44		41,000	312	284	273	257	240	240		

Automobile Parts, metal, and other articles in Item No. 8120

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	Aug. 1, 1923	30,000	—	—	—	221	210	199	2	A
2	Sept. 1, 1923	30,000	—	243	232	221	210	199	2	A
3	Mar. 1, 1924	30,000	265	243	232	221	210	199	3	A
4	June 1, 1924	30,000	265	220	210	200	190	180	3	B
5	July 1, 1924	30,000	240	220	210	200	190	180	3	B
6	Sept. 1, 1925	30,000	240	220	210	162	162	146	4	C
7	Oct. 1, 1925	30,000	194	178	170	162	162	146	4	C
8	Apr. 18, 1935	30,000	199	183	175	167	167	151	21	D
9	Aug. 8, 1936	30,000	189	173	165	159	159	151	23	E
10	Mar. 28, 1938	30,000	202	185	176	173	160	161	24	F
11	May 20, 1938	30,000	202	185	176	167	167	161	24	G
12	Jan. 1, 1947	30,000	247	227	216	205	200	193	32	H
13	Aug. 21, 1948	30,000	309	284	270	256	245	232	32	I
14	Sept. 1, 1949	30,000	337	310	294	279	267	251	32	J
15	Feb. 1, 1951 to present	30,000	337	310	294	279	259	251	33	K

Automobile Bodies,
and other articles in Item No. 8115

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	Sept. 1, 1924	10,000	—	—	400	380	380	380	3	A
2	Oct. 1, 1924	10,000	460	420	400	380	380	380	3	A
3	July 31, 1926	10,000	460	420	400	380	361	342	6	B
4	Nov. 15, 1931	12,000	335	307	293	279	265	251	21	C
5		20,000	277½	258	249	240	234	214½		
6	Apr. 18, 1933	12,000	310	312	298	284	270	256	21	D
7		20,000	282½	263	254	245	239	219½		
8	June 15, 1937	12,000	310	312	298	284	270	256	24	E
9		20,000	282½	263	254	205	195	185		
10		30,000	—	—	—	157	157	151		
11	June 24, 1937	12,000	340	312	298	284	270	256	24	E
12		20,000	245	226	215	205	195	185		
13		30,000	189	173	165	157	157	151		
14	Mar. 28, 1938	12,000	369	338	322	307	292	276	24	E
15		20,000	264	242	231	220	209	198		
16		30,000	202	185	176	167	167	161		
17	Oct. 15, 1940	10,000	396	363	347	330	314	297	27	F
18		12,000	369	338	322	307	292	276		
19		20,000	264	242	231	220	209	198		
20		30,000	202	185	176	167	167	161		
21	Jan. 1, 1947	10,000	485	445	425	404	377	364	32	G
22		12,000	452	414	394	376	352	331		
23		20,000	323	296	283	270	251	238		
24		30,000	247	227	216	205	200	193		
25	Aug. 21, 1948	10,000	606	556	531	505	462	437	32	H
26		12,000	565	518	491	470	429	397		
27		20,000	404	370	354	338	307	286		
28		30,000	309	284	270	256	245	232		
29	Sept. 1, 1949	10,000	661	606	579	550	504	461	32	I
30		12,000	616	565	537	512	468	429		
31		20,000	440	403	386	368	335	309		
32		30,000	337	310	294	279	267	251		
33	Feb. 1, 1951	10,000	661	606	579	550	488	461	33	J
34	to present	12,000	616	565	537	512	454	429		
35		20,000	440	403	386	368	325	309		
36		30,000	337	310	294	279	259	251		

**Baking Powder,
and other articles in Item No. 3365**

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	36,000	203	187½	180	173	165	150	1	A
2	June 1, 1923	36,000	203	187½	180	—	—	—	2	B
3		40,000	—	—	—	120	114	108		
4	Mar. 1, 1924	40,000	203	187½	180	120	114	108	3	B
5	July 15, 1925	40,000	—	—	—	120	114	108	4	C
6	Oct. 15, 1929	40,000	—	—	—	120	114	108	12	D
7		50,000	—	—	—	100	100	100		
8	July 15, 1930	40,000	—	—	120	120	114	108	14	E
9		50,000	—	—	100	100	100	100		
10	Feb. 15, 1934	30,000	—	—	—	132	125	119	20	F
11		40,000	—	—	120	120	114	108		
12		50,000	—	—	100	100	100	100		
13	Apr. 16, 1934	30,000	162	147	140	132	125	119	20	F
14		40,000	—	—	120	120	114	108		
15		50,000	—	—	100	100	100	100		
16	Apr. 18, 1935	30,000	167	152	145	137	130	124	21	G
17		40,000	—	—	125	125	119	113		
18		50,000	—	—	105	105	105	105		
19	Oct. 15, 1935	30,000	167	152	145	137	130	124	22	H
20		40,000	—	—	125	—	—	—		
21		50,000	—	—	105	90	90	90		
22	Feb. 15, 1936	30,000	167	152	145	137	130	124	22	H
23		50,000	—	—	90	90	90	90		
24	Aug. 1, 1937	30,000	179	164	157	149	142	136	24	I
25		50,000	—	—	90	90	90	90		
26	Mar. 28, 1938	30,000	179	164	157	149	142	136	24	J
27		50,000	—	—	94	94	94	94		
28	Mar. 15, 1942	30,000	179	164	157	149	142	136	28	K
29		50,000	127	111	94	94	94	94		
30	Jan. 1, 1947	30,000	219	201	192	182	170	163	32	L
31		50,000	156	138	115	115	113	113		
32	Aug. 21, 1948	30,000	274	251	240	229	208	196	32	M
33		50,000	195	170	144	144	138	136		
34	Sept. 1, 1949	30,000	299	274	262	250	227	212	32	N
35		50,000	213	185	157	157	150	147		
36	Feb. 1, 1951	30,000	299	274	262	250	220	212	33	P
37	to present	50,000	213	185	157	157	147	147		

**Batteries, dry cell,
and other articles in Item No. 4440**

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	40,000	277½	263	255	248	240	225	1	A
2	July 1, 1923	40,000	277½	263	255	160	152	144	2	B
3	Oct. 1, 1923	40,000	277½	176	168	160	152	144	2	B
4	Dec. 12, 1923	40,000	192	176	168	160	152	144	2	B
5	Aug. 31, 1926	40,000	192	176	168	130	124	117	6	C
6	Sept. 30, 1926	40,000	192	145	138	130	124	117	6	C
7	Nov. 1, 1926	40,000	160	145	138	130	124	117	6	C
8	June 15, 1931	30,000	160	145	138	130	124	117	16	D
9	Jan. 4, 1932	30,000	162	147	140	132	126	119	17	E
10	July 15, 1933	30,000	162	147	140	132	126	119	19	F
11		45,000	—	110	110	110	110	110		
12	Oct. 1, 1933	30,000	160	145	138	130	124	117	20	G
13		45,000	—	108	108	108	108	108		
14	Apr. 18, 1935	30,000	165	150	143	135	129	122	21	H
15		45,000	—	113	113	113	113	113		
16	May 15, 1936	30,000	165	150	143	135	129	122	22	F
17		45,000	125	113	113	113	113	113		
18	July 18, 1936	30,000	165	150	143	135	129	122	23	I
19		45,000	125	110	103	103	103	103		
20	Mar. 28, 1938	30,000	176	160	152	143	136	129	24	J
21		45,000	132	116	108	108	108	108		
22	Jan. 1, 1947	30,000	216	196	186	175	163	153	32	K
23		45,000	162	142	132	132	130	130		
24	Aug. 21, 1948	30,000	270	245	233	219	200	186	32	L
25		45,000	203	178	165	165	159	156		
26	Sept. 1, 1949	30,000	294	267	254	239	218	201	32	M
27		45,000	221	194	180	180	173	168		
28	Feb. 1, 1951	30,000	294	267	254	239	212	201	33	N
29	to present	45,000	221	194	180	180	168	168		

**Books, NOIBN,
and other articles in Item No. 6735**

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	30,000	308	293	285	277½	270	255	1	A
2	Nov. 30, 1922	30,000	308	293	285	—	—	—	1	B
3		36,000	—	—	—	200	200	200		
4	Mar. 7, 1923	36,000	228	214	207	200	200	200	1	B
5	July 1, 1928	36,000	228	214	207	200	200	200	10	C
6		50,000	—	—	—	165	165	165		
7	Oct. 15, 1932	36,000	228	214	207	200	200	200	18	D
8		50,000	—	—	—	165	165	165		
9		60,000	—	—	—	150	150	150		
10	Dec. 15, 1932	36,000	228	214	207	200	200	200	19	E
11		50,000	—	—	—	165	165	165		
12		60,000	180	165	158	150	150	150		
13	Sept. 15, 1933	36,000	228	214	207	200	200	200	20	F
14		50,000	—	—	—	165	165	165		
15		60,000	182	167	160	152	152	152		
16	Jan. 15, 1934	36,000	228	214	207	200	200	200	20	G
17		50,000	198	181	173	165	165	165		
18		60,000	182	167	160	152	152	152		
19	Apr. 18, 1935	36,000	233	219	212	205	205	205	21	H
20		50,000	203	186	178	170	170	170		
21		60,000	185	170	163	155	155	155		
22	Sept. 15, 1935	36,000	233	219	212	205	205	205	22	I
23		50,000	203	186	178	170	155	155		
24		60,000	185	170	163	—	—	—		
25	Nov. 15, 1935	36,000	233	219	212	205	205	205	22	I
26		50,000	185	170	163	155	155	155		
27	June 15, 1936	30,000	—	—	—	155	155	155	23	J
28		36,000	233	219	212	—	—	—		
29	Aug. 15, 1936	30,000	185	170	163	155	155	155	23	J
30	Mar. 28, 1938	30,000	200	184	176	167	167	167	24	K
31	Aug. 15, 1939	30,000	200	184	176	167	167	167	26	L
32		40,000	—	—	—	115	115	115		
33	June 30, 1942	30,000	200	184	176	167	167	167	28	L
34	Jan. 1, 1947	30,000	245	225	216	205	200	200	32	M
35	Aug. 21, 1948	30,000	306	281	270	256	245	240	32	N
36	Sept. 1, 1949	30,000	331	306	294	279	267	259	32	O
37	Feb. 1, 1951 to present	30,000	331	306	294	279	259	259	33	P

Candy and Confectionery, NOIBN, and other articles in Item No. 4045

Line	Column 1 Effective Date	2 Minimum Weight (Pounds)	3 New York, New York (Group A)	4 Pittsburgh, Pennsylvania (Group B)	5 Detroit, Michigan (Group C)	6 Chicago, Illinois (Group D)	7 St. Louis, Missouri (Group E)	8 Kansas City, Missouri (Group F)	9 Tariff Authority	10 Reasons
			Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities							
1	July 1, 1922	30,000	240	225	218	210	203	187½	1	A
2	Aug. 31, 1926	36,000	240	225	218	160	152	144	6	B
3	Sept. 30, 1926	36,000	192	176	168	160	152	144	6	B
4	Jan. 4, 1932	36,000	194	178	170	162	154	146	17	C
5	Mar. 16, 1932	36,000	194	178	170	162	154	146	17	D
6		44,000	—	—	—	137	129	124		
7	Sept. 15, 1932	36,000	194	178	170	162	154	146	18	D
8		44,000	167	152	145	137	129	124		
9	Oct. 1, 1933	36,000	192	176	168	160	152	144	20	E
10		44,000	165	150	143	135	127	122		
11	Apr. 18, 1935	36,000	197	181	173	165	157	149	21	F
12		44,000	170	155	148	140	132	127		
13	Mar. 28, 1938	36,000	211	194	185	176	167	158	24	G
14		44,000	182	165	157	149	140	134		
15	Jan. 1, 1947	36,000	258	238	227	215	205	190	32	H
16		44,000	223	202	192	183	172	161		
17	Aug. 15, 1947	36,000	264	243	231	220	209	198	32	I
18		44,000	228	206	196	186	176	168		
19	Aug. 21, 1948	36,000	330	304	289	275	261	238	32	J
20		44,000	285	258	245	233	219	202		
21	Sept. 1, 1949	36,000	360	331	315	300	284	257	32	K
22		44,000	311	281	267	254	239	218		
23	Dec. 15, 1949	36,000	360	331	315	300	284	257	33	L
24		44,000	311	281	267	254	239	218		
25		50,000	274	274	274	234	—	—		
26		60,000	265	265	265	229	229	—		
27	Feb. 1, 1951	36,000	360	331	315	300	271	257	33	M
28	to present	44,000	311	281	267	254	227	218		
29		50,000	274	274	—	234	—	—		
30		60,000	265	265	265	229	—	—		

Canned or Preserved Foods (Canned Vegetables as representative), and other articles in Item No. 3775

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
35	Jan. 1, 1947	40,000	—	131	121	121	119	119	32	M
36		60,000	125	118	108	108	106	106		
37	Aug. 15, 1947	40,000	—	134	124	124	124	124	32	N
38		60,000	128	120	110	110	110	110		
39	Aug. 21, 1948	40,000	—	168	155	155	152	149	32	O
40		60,000	160	150	138	138	135	132		
41	Sept. 1, 1949	40,000	—	183	169	169	166	161	32	P
42		60,000	174	164	150	150	147	143		
43	Feb. 1, 1951	40,000	—	183	169	169	161	161	33	Q
44		60,000	174	164	150	150	143	143		
45	Apr. 15, 1952	40,000	210	183	169	169	161	161	34	R
46		60,000	174	164	150	150	143	143		
47	Nov. 12, 1953	40,000	210	183	169	169	161	161	35	S
48		60,000	174	164	150	137	137	137		
49	Feb. 4, 1954	40,000	210	183	169	169	161	161	36	S
50	to present	60,000	164	164	144	137	137	137		

Carpets and Linoleum, felt base, and other articles in Item No. 4700

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	50,000	165	150	142½	135	135	128	1	A
2	Apr. 18, 1935	50,000	170	155	147½	140	140	133	21	B
3	Mar. 28, 1938	50,000	182	165	157	149	149	141	25	C
4	May 1, 1941	40,000	150	150	150	149	149	141	28	D
5	Jan. 1, 1947	40,000	184	184	184	183	179	169	32	E
6	Aug. 21, 1948	40,000	230	230	230	229	219	203	32	F
7	Sept. 1, 1949	40,000	251	251	251	250	239	219	32	G
8	Feb. 1, 1951	40,000	251	251	251	250	232	219	33	H
9	May 1, 1951 to present	50,000	195	195	195	195	195	195	33	I

Reasons for Rate Changes:

A—Reduced Rates of 1922. ICC Docket 13293 (73 ICC 189).

B—Ex Parte 115 increase.

C—Ex Parte 123 increase.

D—Rates reduced in effort to hold traffic from Group A territory to interior points such as Tucson, Phoenix, Ariz., Reno, Nev., and Spokane, Wash., which had been moving via Canal. At the same time rate was published eastbound to secure some eastbound traffic to Groups A and B territories.

E—Ex Parte 162 increase.

F—Ex Parte 166 increase.

G—Ex Parte 168 increase.

H—Increased rates and charges, 1947—Western Trunk Line Zone I (including east-bank and west-bank Mississippi River Crossings south of St. Louis, Mo.) (279 ICC 303).

I—Minimum weight was raised and rates were lowered to meet combination of truck-and-water competition from Group A origins, and observed as maximum from all intermediate groups west of Group A.

Chocolate Coating,
and other articles in Item No. 4035

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	30,000	240	225	218	210	203	187½	1	A
2	Aug. 31, 1926	30,000	240	176	168	160	152	144	6	B
3		40,000	—	140	133	125	119	113		
4	Nov. 1, 1928	30,000	192	176	168	160	152	144	6	B
5		40,000	155	140	133	125	119	113		
6	Apr. 18, 1935	30,000	197	181	173	165	157	149	21	C
7		40,000	160	145	138	130	124	118		
8	May 15, 1936	30,000	197	181	173	165	157	149	22	D
9		40,000	160	145	138	130	124	118		
10		50,000	105	105	105	105	105	105		
11	Dec. 24, 1936	30,000	195	179	171	163	155	147	23	E
12		40,000	158	143	136	128	122	116		
13		50,000	103	103	103	103	103	103		
14	Mar. 28, 1938	30,000	211	194	185	176	167	158	24	F
15		40,000	171	154	146	138	131	124		
16		50,000	110	110	110	110	110	110		
17	Jan. 1, 1947	30,000	238	238	227	216	205	194	32	G
18		40,000	209	189	179	169	160	152		
19		50,000	135	135	135	135	135	135		
20	Sept. 15, 1947	30,000	254	243	231	220	209	198	32	H
21		40,000	214	193	183	173	164	155		
22		50,000	138	138	138	138	138	138		
23	Aug. 21, 1948	30,000	330	304	280	275	256	238	32	I
24		40,000	268	241	229	216	201	186		
25		50,000	173	173	173	173	169	166		
26	Sept. 1, 1949	30,000	380	331	315	300	279	257	32	J
27		40,000	292	263	250	235	219	201		
28		50,000	189	189	189	189	184	179		
29	Feb. 1, 1951	30,000	360	331	315	300	271	257	33	K
30	to present	40,000	292	263	250	235	213	201		
31		50,000	189	189	189	189	179	179		

Coffee, roasted,
and other articles in Item No. 4060

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	30,000	203	187½	180	173	173	150	1	A
2	Jan. 15, 1934	30,000	203	187½	180	125	125	125	20	B
3	May 16, 1934	30,000	203	187½	125	125	125	125	20	B
4	Apr. 18, 1935	30,000	208	192½	130	130	130	130	21	C
5	Aug. 15, 1937	30,000	208	192½	130	130	130	130	24	D
6		70,000	—	—	—	85	85	85		
7	Mar. 28, 1938	30,000	223	206	138	138	138	138	24	E
8		70,000	—	—	—	88	88	88		
9	Sept. 15, 1938	30,000	223	206	138	138	138	138	25	F
10		70,000	—	—	—	94	94	94		
11	Jan. 1, 1947	30,000	268	247	166	166	166	166	32	G
12		70,000	—	—	—	113	113	113		
13	Aug. 15, 1947	30,000	279	258	173	173	173	173	32	H
14		70,000	—	—	—	118	118	118		
15	Aug. 21, 1948	30,000	349	323	216	216	212	208	32	I
16		70,000	—	—	—	148	145	142		
17	Sept. 1, 1949	30,000	380	352	235	235	231	225	32	J
18		70,000	—	—	—	161	158	153		
19	Feb. 1, 1951	30,000	380	352	235	235	225	225	33	K
20	to present	70,000	—	—	—	161	153	153		

Glassware, NOIBN, value not exceeding 25 cents per pound, and other articles in Item No. 4950

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	30,000	150	135	135	130	130	125	1	A
2	Sept. 30, 1922	30,000	135	135	135	130	130	125	1	B
3	Apr. 17, 1923	30,000	135	135	135	115	115	110	2	C
4	May 21, 1923	30,000	135	125	120	115	115	110	2	C
5	July 1, 1923	30,000	135	125	120	115	115	105	2	D
6	Jan. 4, 1932	30,000	137	127	122	117	117	107	17	E
7	July 15, 1933	30,000	137	127	122	117	117	107	19	F
8		40,000	—	—	—	112	112	—		
9	Oct. 1, 1933	30,000	135	125	120	115	115	105	20	G
10		40,000	—	—	—	110	110	—		
11	Nov. 15, 1933	30,000	135	125	120	115	115	105	20	F
12		40,000	110	110	110	110	110			
13	Apr. 18, 1935	30,000	140	130	125	120	120	110	21	H
14		40,000	115	115	115	115	115	—		
15	Sept. 15, 1935	30,000	140	130	125	120	120	110	22	I
16		40,000	115	115	115	115	115	100		
17	Mar. 28, 1938	30,000	149	138	132	127	127	116	24	J
18		40,000	121	121	121	121	121	105		
19	Mar. 15, 1940	30,000	149	138	132	127	127	116	26	K
20		40,000	110	110	110	110	110	105		
21	Jan. 1, 1947	30,000	183	169	162	156	152	139	32	L
22		40,000	135	135	135	135	132	126		
23	Aug. 15, 1947	30,000	186	173	165	159	159	143	32	M
24		40,000	138	138	138	138	138	131		
25	Aug. 21, 1948	30,000	233	216	206	199	199	174	32	N
26		40,000	173	173	173	173	173	157		
27	Sept. 1, 1949	30,000	254	235	225	217	217	188	32	O
28		40,000	189	189	189	189	189	170		
29	Feb. 1, 1951	30,000	254	235	225	217	206	188	33	P
30	to present	40,000	189	189	189	189	179	170		

**Liquors, malt,
and other articles in Item No. 3450**

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
38	Jan. 1, 1947	30,000	223	201	191	163	156	144	32	O
40		40,000	183	162	152	142	135	126		
41		50,000	162	142	132	121	116	107		
42		60,000	—	—	108	98	98	96		
43	Apr. 15, 1947	30,000	223	201	191	163	156	144	32	P
44		40,000	183	162	152	142	135	126		
45		50,000	162	142	132	121	116	107		
46		60,000	142	—	108	98	98	96		
47	Nov. 15, 1947	30,000	223	201	191	163	156	144	32	Q
48		40,000	183	162	152	142	135	126		
49		50,000	162	142	132	121	116	107		
50		60,000	142	121	108	98	98	96		
51	Aug. 21, 1948	30,000	279	251	239	204	195	173	32	R
52		40,000	229	203	190	178	169	151		
53		50,000	203	178	165	151	145	128		
54		60,000	178	151	135	123	123	115		
55	Jan. 23, 1949	30,000	279	251	239	204	195	173	32	S
56		40,000	229	203	190	178	169	151		
57		50,000	203	178	165	151	145	128		
58		60,000	165	138	122	110	110	110		
59	Sept. 1, 1949	30,000	304	274	261	222	213	187	32	T
60		40,000	250	221	207	194	184	163		
61		50,000	221	194	180	165	158	138		
62		60,000	180	150	133	120	120	119		
63	Sept. 15, 1950	30,000	304	274	261	222	213	187	33	S
64		40,000	250	221	207	194	184	163		
65		50,000	221	194	180	165	158	138		
66		60,000	159	141	129	120	120	119		
67	Feb. 1, 1951	30,000	304	274	261	222	197	187	33	U
68		40,000	250	221	207	194	171	163		
69		50,000	221	194	180	165	148	138		
70		60,000	159	141	129	120	119	119		
71	July 1, 1954	30,000	304	274	261	222	197	187	36	S
72	to present	40,000	250	221	207	194	171	163		
73		50,000	221	194	180	165	148	138		
74		60,000	159	141	129	105	105	105		

Machinery, and other articles in Item No. 6150, including: Boilers, power, cast iron; Electric Motors and Generators; Electric Transformers; Tools, electric or pneumatic; Vacuum Cleaners, and other articles described in Item 6130

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	30,000	—	270	261	253	245	220	1	A
2	Sept. 30, 1922	30,000	278	270	261	253	245	220	1	B
3	Oct. 30, 1922	30,000	278	270	261	227½	220½	198	1	C
4	Nov. 30, 1922	30,000	250	243	235	227½	220½	198	1	C
5	Oct. 1, 1923	30,000	250	243	235	193	220½	198	2	D
6	Nov. 30, 1923	30,000	250	212	203	193	183	174	2	D
7	July 1, 1924	30,000	231	212	203	193	183	174	2	D
8	Sept. 1, 1925	30,000	231	212	203	193	183	174	4	E
9		40,000	—	—	—	162	154	146		
10	Oct. 1, 1925	30,000	231	212	203	193	183	174	4	E
11		40,000	194	178	170	162	154	146		
12	Apr. 18, 1935	30,000	236	217	208	198	188	179	21	F
13		40,000	199	183	175	167	159	151		
14	Mar. 28, 1938	30,000	254	233	223	212	201	191	24	G
15		40,000	213	196	187	178	169	161		
16	Jan. 1, 1947	30,000	311	285	273	260	241	229	32	H
17		40,000	261	240	229	218	203	193		
18	Aug. 21, 1948	30,000	389	356	341	325	295	275	32	I
19		40,000	326	300	286	273	249	232		
20	Jan. 1, 1949	30,000	424	388	372	354	322	297	32	J
21		40,000	355	327	312	298	271	251		
22	Feb. 1, 1951	30,000	424	388	372	354	312	297	33	K
23	to present	40,000	355	327	312	298	264	251		

Magazines and Periodicals, and other articles in Item No. 6740

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	30,000	308	293	285	277½	270	255	1	A
2	Nov. 30, 1922	30,000	308	293	285	—	—	—	1	B
3		36,000	—	—	—	200	200	200		
4	Mar. 7, 1928	36,000	228	214	207	200	200	200	1	B
5	Apr. 15, 1928	36,000	228	214	207	200	200	200	9	C
6		50,000	165	165	165	165	165	165		
7	June 15, 1931	36,000	228	214	207	200	200	200	16	D
8		50,000	165	165	165	165	165	165		
9		60,000	—	150	140	130	130	130		
10	June 26, 1931	36,000	228	214	207	200	200	200	16	D
11		50,000	165	165	165	165	165	165		
12		60,000	130	130	130	130	130	130		
13	Aug. 15, 1931	36,000	228	214	207	200	200	200	16	E
14		50,000	165	165	165	—	—	—		
15		60,000	130	130	130	130	130	130		
16	Oct. 15, 1931	36,000	228	214	207	200	200	200	16	E
17		60,000	130	130	130	130	130	130		
18	Sept. 15, 1933	36,000	228	214	207	165	165	165	20	F
19		60,000	130	130	130	130	130	130		
20	Jan. 15, 1934	36,000	198	181	173	165	165	165	20	F
21		60,000	130	130	130	130	130	130		
22	Apr. 18, 1935	36,000	203	186	178	170	170	170	21	G
23		60,000	135	135	135	135	135	135		
24	Sept. 15, 1935	36,000	203	186	178	170	170	170	22	H
25		60,000	135	135	135	135	135	135		
26		70,000	110	110	110	110	110	110		
27	Mar. 28, 1938	36,000	218	199	190	182	182	182	24	I
28		60,000	143	143	143	143	143	143		
29		70,000	121	121	121	121	121	121		
30	Dec. 1, 1938	36,000	218	199	190	182	182	182	25	J
31		60,000	143	143	143	143	143	143		
32		70,000	115	115	115	115	115	115		
33	Apr. 27, 1939	36,000	—	199	190	182	182	182	25	K
34		70,000	110	110	110	110	110	110		

**Paints, liquid,
and other articles in Item No. 6710**

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	40,000	165	150	142½	135	135	128	1	A
2	Apr. 12, 1923	40,000	165	150	142½	125	119	113	2	B
3	June 1, 1923	40,000	165	140	133	125	119	113	2	B
4	Mar. 1, 1924	40,000	155	140	133	125	119	113	3	B
5	Sept. 15, 1930	40,000	155	140	133	125	119	113	14	C
6		50,000	—	—	—	105	100	95		
7	Dec. 15, 1930	40,000	155	140	133	125	119	113	15	C
8		50,000	—	120	113	105	100	95		
9	Feb. 15, 1931	40,000	155	140	133	125	119	113	15	C
10		50,000	135	120	113	105	100	95		
11	Apr. 18, 1935	40,000	160	145	138	130	124	118	21	D
12		50,000	140	125	118	110	105	100		
13	June 15, 1935	30,000	—	—	—	155	148	140	22	E
14		40,000	160	145	138	130	124	118		
15		50,000	140	125	118	110	105	100		
16	Sept. 15, 1935	30,000	185	170	162	155	148	140	22	E
17		40,000	160	145	138	130	124	118		
18		50,000	140	125	118	110	105	100		
19	Mar. 28, 1938	30,000	198	182	174	165	157	149	24	F
20		40,000	171	154	146	138	131	124		
21		50,000	149	132	124	116	110	105		
22	Jan. 1, 1947	30,000	243	223	213	202	188	179	32	G
23		40,000	209	189	179	169	157	149		
24		50,000	183	162	152	142	132	126		
25	Aug. 15, 1947	30,000	248	228	218	206	196	186	32	H
26		40,000	214	193	183	173	164	155		
27		50,000	186	165	155	145	138	131		
28	Aug. 21, 1948	30,000	310	285	273	258	240	223	32	I
29		40,000	268	241	229	216	201	186		
30		50,000	233	206	194	181	169	157		
31	Sept. 1, 1949	30,000	338	311	298	281	262	241	32	J
32		40,000	292	263	250	235	219	201		
33		50,000	254	225	211	197	184	170		
34	Feb. 1, 1951	30,000	338	311	298	281	254	241	33	K
35	to present	40,000	292	263	250	235	213	201		
36		50,000	254	225	211	197	179	170		

Pipe and Fittings, cast iron, and other articles in Item No. 5630

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	40,000	165	150	142½	135	128	113	1	A
2	Apr. 17, 1923	40,000	165	150	142½	125	119	113	2	B
3		60,000	—	—	—	100	95	90		
4	Nov. 19, 1923	40,000	165	140	133	125	119	113	2	B
5		60,000	—	115	108	100	95	90		
6	Mar. 1, 1924	40,000	155	140	133	125	119	113	3	B
7		60,000	130	115	108	100	95	90		
8	Apr. 18, 1935	40,000	157	142	135	127	121	115	21	C
9		60,000	132	117	110	102	97	92		
10	Mar. 28, 1938	40,000	171	154	146	138	131	124	24	D
11		60,000	143	127	119	110	105	99		
12	Jan. 1, 1947	40,000	181	164	156	148	141	134	32	E
13		60,000	153	137	129	120	115	109		
14	Aug. 21, 1948	40,000	197	180	172	164	157	150	32	F
15		60,000	169	153	145	136	131	125		
16	Sept. 1, 1949	40,000	215	196	187	179	171	162	32	G
17		60,000	184	167	158	148	143	135		
18	Feb. 1, 1951	40,000	215	196	187	179	170	162	33	H
19	to present	60,000	184	167	158	148	141	135		

Reasons for Rate Changes:

A—Reduced Rates of 1922. ICC Docket 13293 (73 ICC 189).

B—Rates reduced on cast iron pipe, along with all other basic steel articles, to meet water competition, on increased minimum weight to protect per-car revenues on the depressed rates.

C—Ex Parte 115 increase.

D—Ex Parte 123 increase.

E—Ex Parte 162 increase, held down to maximum of 10 cents per 100 lbs., because of water competition.

F—Ex Parte 166 increase, limited to 16 cents per 100 lbs., because of water competition.

G—Ex Parte 168 increase.

H—Increased rates and charges, 1947—Western Trunk Line Zone I (including east-bank and west-bank Mississippi River Crossings south of St. Louis, Mo.) (279 ICC 303).

**Radio Receiving Sets,
and other articles in Item No. 4520**

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	Aug. 15, 1925	24,000	—	363	347	330	314	297	4	A
2	Oct. 1, 1925	24,000	396	363	347	330	314	297	4	A
3	Sept. 20, 1928	24,000	300	300	300	300	300	297	10	B
4	Sept. 15, 1929	24,000	300	275	263	250	238	225	12	C
5	Jan. 15, 1935	20,000	—	—	—	250	238	225	21	D
6		24,000	300	275	263	—	—	—		
7	May 16, 1935	20,000	300	275	263	250	238	225	21	D
8	Dec. 24, 1936	20,000	305	280	268	255	243	230	23	E
9	Mar. 28, 1938	20,000	330	303	289	275	262	248	24	F
10	Oct. 15, 1939	14,000	—	—	—	275	262	248	26	D
11		20,000	330	303	289	—	—	—		
12	Dec. 15, 1939	14,000	330	303	289	275	262	248	26	D
13	Jan. 1, 1947	14,000	404	371	354	337	314	298	32	G
14	Aug. 21, 1948	14,000	505	464	443	421	385	358	32	H
15	Sept. 1, 1949	14,000	550	506	483	459	420	387	32	I
16	May 15, 1950	14,000	550	506	483	443	403	372	33	J
17		20,000	—	—	—	375	356	338		
18	June 15, 1950	14,000	550	506	464	443	403	372	33	J
19	to present	20,000	450	413	394	375	356	338		

Refrigeration Equipment; Cooling Rooms, K. D., and other articles in Item No. 4115

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	18,000	255	240	232½	225	218	203	1	A
2	Apr. 17, 1923	18,000	255	240	232½	200	190	180	2	B
3	June 1, 1923	18,000	255	220	210	200	190	180	2	B
4	Mar. 1, 1924	18,000	240	220	210	200	190	180	3	B
5	Oct. 1, 1924	18,000	240	183	175	167	159	150	3	C
6	Mar. 2, 1927	18,000	240	—	—	—	—	—	7	D
7		20,000	—	157	150	142	135	128		
8	May 1, 1927	20,000	172	167	150	142	135	128	7	E
9	Mar. 17, 1935	18,000	172	167	150	142	135	128	21	E
10	Apr. 18, 1935	18,000	177	162	156	147	140	133	21	G
11	Mar. 28, 1938	18,000	189	173	165	156	149	141	24	H
12	Jan. 1, 1947	18,000	232	212	202	191	179	169	32	I
13	Aug. 15, 1947	18,000	236	216	206	196	186	176	32	J
14	Aug. 21, 1948	18,000	295	270	258	244	228	211	32	K
15	May 15, 1949	14,000	—	—	—	300	280	247	32	L
16		18,000	295	270	258	244	228	211		
17	June 15, 1949	14,000	—	—	315	300	280	247	32	L
18		18,000	295	270	258	244	228	211		
19	Aug. 15, 1949	14,000	360	331	315	300	280	247	32	L
20		18,000	295	270	258	244	228	211		
21	Sept. 1, 1949	14,000	392	361	343	327	283	267	32	M
22		18,000	322	294	281	266	249	228		
23	Feb. 1, 1951	14,000	392	361	343	327	281	267	33	N
24	to present	18,000	322	294	281	266	241	228		

Sheet Steelware Baking Pan Sets, and other articles in Item No. 7500

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Remarks
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
33	Feb. 1, 1947	20,000	223	202	202	202	188	179	32	M
34		24,000	—	—	192	183	169	161		
35		30,000	—	—	179	169	166	166		
36	Apr. 21, 1948	20,000	279	253	253	253	230	215	32	N
37		24,000	—	—	240	229	207	193		
38		30,000	—	—	224	211	203	199		
39	Sept. 1, 1949	20,000	304	276	276	276	251	232	32	O
40		24,000	—	—	262	250	226	208		
41		30,000	—	—	244	230	221	215		
42	Aug. 15, 1950	20,000	304	276	276	276	251	232	33	P
43		24,000	—	—	262	250	226	208		
44		30,000	—	—	244	230	221	215		
45		55,000	—	—	—	170	170	170		
46	Nov. 15, 1950	20,000	304	276	276	276	251	232	33	P
47		24,000	—	—	262	250	226	208		
48		30,000	—	—	244	230	221	215		
49		55,000	—	—	185	170	170	170		
50	Feb. 1, 1951	20,000	304	276	276	276	244	232	33	Q
51		24,000	—	—	262	250	219	208		
52		30,000	—	—	244	230	215	215		
53		55,000	—	—	185	170	170	170		
54	Aug. 15, 1953	20,000	304	276	276	276	244	232	35	R
55	to present	24,000	—	—	262	250	219	208		
56		30,000	—	259	244	230	215	215		
57		55,000	—	199	185	170	170	170		

Sheet Iron or Sheet Steelware, and other articles in Item No. 7500

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	22,000	232½	218	210	203	195	180	1	A
2	Nov. 30, 1922	22,000	232½	218	210	186	179	165	1	B
3	Dec. 30, 1922	22,000	232½	200	193	186	179	165	1	B
4	Dec. 1, 1926	22,000	232½	200	193	—	—	—	7	C
5		24,000	—	—	—	150	143	135		
6	Apr. 1, 1927	22,000	232½	—	—	—	—	—	7	C
7		24,000	—	165	158	150	143	135		
8	May 1, 1927	24,000	180	165	158	150	143	135	7	C
9	Dec. 15, 1932	20,000	—	—	—	150	143	135	19	D
10		24,000	180	165	158	—	—	—		
11	Jan. 15, 1933	20,000	180	165	158	150	143	135	19	D
12	Nov. 15, 1934	20,000	180	165	158	150	143	143	21	E
13	Apr. 18, 1935	20,000	185	170	163	155	148	148	21	F
14	Mar. 28, 1938	20,000	198	182	174	165	157	157	24	G
15	June 15, 1938	20,000	198	165	165	165	157	157	24	H
16	Oct. 15, 1938	20,000	182	165	165	165	157	157	25	H
17	Dec. 15, 1938	20,000	182	165	165	165	157	157	25	I
18		24,000	—	—	—	149	141	141		
19	Feb. 15, 1939	20,000	182	165	165	165	157	157	25	I
20		24,000	—	—	157	149	141	141		
21	Feb. 15, 1941	20,000	182	165	165	165	157	149	27	J
22		24,000	—	—	157	149	141	134		
23	Jan. 1, 1947	20,000	223	202	202	202	188	179	32	K
24		24,000	—	—	192	183	169	161		
25	Aug. 21, 1948	20,000	279	253	253	253	230	215	32	L
26		24,000	—	—	240	229	207	193		
27	Sept. 1, 1949	20,000	304	276	276	276	251	232	32	M
28		24,000	—	—	262	250	226	208		
29	Feb. 1, 1951	20,000	304	276	276	276	244	232	33	N
30	to present	24,000	—	—	262	250	219	208		

**Stoves, gas,
and other articles in Item No. 5245**

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reason
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	24,000	248	232½	225	181	175	163	1	A
2	Mar. 7, 1923	24,000	207	193	187	181	175	163	1	B
3	July 31, 1926	24,000	207	193	187	181	175	163	6	C
4		40,000	—	168	162	156	150	138		
5	Sept. 30, 1926	24,000	207	193	187	181	175	163	6	C
6		40,000	180	168	162	156	150	138		
7	Aug. 15, 1928	24,000	207	193	187	181	175	163	10	D
8		30,000	—	—	—	156	150	138		
9		40,000	180	168	162	125	119	113		
10	Nov. 15, 1928	24,000	207	193	187	181	175	163	11	D
11		30,000	—	168	162	156	150	138		
12		40,000	180	140	133	125	119	113		
13	Apr. 18, 1935	24,000	212	198	192	186	180	168	21	E
14		30,000	—	173	167	161	155	143		
15		40,000	185	145	138	130	124	118		
16	May 15, 1936	24,000	212	198	192	161	155	143	22	F
17		30,000	—	173	167	—	—	—		
18		40,000	185	145	138	130	124	118		
19	Oct. 15, 1936	24,000	212	170	167	161	155	143	23	F
20		40,000	185	145	138	130	124	118		
21	Jan. 24, 1937	24,000	212	170	167	161	155	143	23	G
22		30,000	160	145	138	130	124	118		
23	Mar. 28, 1938	24,000	229	182	178	172	165	152	24	H
24		30,000	171	154	146	138	131	124		
25	July 15, 1945	18,400	228	182	178	172	165	152	31	I
26		30,000	171	154	146	138	131	124		
27	Jan. 1, 1947	18,400	279	223	218	211	202	182	32	J
28		30,000	209	189	179	169	160	149		
29	May 15, 1947	18,400	251	227	222	211	202	182	32	I
30		25,800	209	189	179	169	160	149		
31	Aug. 21, 1948	18,400	314	284	278	264	253	218	32	K
32		25,800	261	236	224	211	200	179		
33	Sept. 1, 1949	18,400	342	310	303	288	276	235	32	L
34		25,800	284	257	244	230	218	193		
35	Feb. 1, 1951	18,400	342	310	303	288	257	235	33	M
36	to present	25,800	284	257	244	230	203	193		

Tires, rubber, pneumatic, and other articles in Item No. 7965

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	May 2, 1926	24,000	218	200	191	182	173	164	5	A
2	Jan. 4, 1932	24,000	220	202	193	184	175	166	17	B
3	Jan. 13, 1932	24,000	220	202	193	184	175	166	17	C
4		30,000	—	—	—	161	153	145		
5	Feb. 15, 1932	24,000	220	202	193	184	175	166	17	C
6		30,000	193	177	169	161	153	145		
7	Apr. 15, 1932	24,000	220	202	193	184	175	166	17	D
8		30,000	193	177	169	161	153	145		
9		40,000	162	152	152	152	152	—		
10	June 1, 1932	24,000	220	202	193	184	175	166	17	E
11		30,000	193	177	169	162	154	154		
12		40,000	162	152	152	152	152	—		
13	June 15, 1932	24,000	220	202	193	184	175	166	18	F
14		30,000	193	177	169	162	154	154		
15		40,000	152	152	152	152	152	—		
16	Sept. 15, 1932	24,000	220	202	193	184	175	166	18	G
17		30,000	193	177	169	162	154	154		
18		40,000	152	152	152	152	152	152		
19	Oct. 1, 1933	24,000	218	200	191	182	173	164	20	H
20		30,000	191	175	167	160	152	152		
21		40,000	150	150	150	150	150	150		
22	Apr. 18, 1935	24,000	223	205	196	187	178	169	21	I
23		30,000	196	180	172	165	157	157		
24		40,000	155	155	155	155	155	155		
25	Mar. 28, 1938	24,000	240	220	210	200	190	180	24	J
26		30,000	210	193	184	176	167	167		
27		40,000	165	165	165	165	165	165		
28	Jan. 1, 1947	24,000	294	270	257	245	233	216	32	K
29		30,000	257	236	225	216	205	200		
30		40,000	202	202	202	202	202	198		
31	July 15, 1947	24,000	294	270	257	216	205	172	32	L
32		30,000	257	236	225	—	—	—		
33		40,000	202	202	202	183	169	152		
34	Aug. 21, 1948	24,000	368	338	321	270	256	206	32	M
35		30,000	321	295	281	—	—	—		
36		40,000	253	253	253	229	211	182		
37	Sept. 1, 1949	24,000	401	368	350	294	279	222	32	N
38		30,000	350	322	306	—	—	—		
39		40,000	276	276	276	250	230	197		
40	Feb. 1, 1951	24,000	401	368	350	294	259	222	33	O
41	to present	30,000	350	322	306	—	—	—		
42		40,000	276	276	276	250	215	197		

[fol. 287]

Wallboard, asbestos, and other articles in Item No. 3255

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
1	July 1, 1922	40,000	173	158	150	142½	142½	135	1	A
2	Apr. 17, 1923	40,000	173	158	117½	110	105	99	2	B
3	June 1, 1923	40,000	173	125	118	110	105	99	2	C
4	Mar. 1, 1924	40,000	140	125	118	110	105	99	3	D
5	Aug. 31, 1926	40,000	140	125	118	110	105	99	6	E
6		50,000	—	—	—	90	86	81		
7	Dec. 1, 1926	40,000	140	125	118	110	105	99	6	E
8		50,000	120	105	98	90	86	81		
9	Jan. 4, 1932	40,000	142	127	120	112	107	101	17	F
10		50,000	122	107	100	92	88	83		
11	Dec. 15, 1932	40,000	142	127	120	82	82	77	19	G
12		50,000	122	107	100	—	—	—		
13	May 16, 1933	40,000	142	97	90	82	82	77	19	G
14		50,000	122	—	—	—	—	—		
15	Oct. 1, 1933	40,000	140	95	88	80	80	75	20	H
16		50,000	120	—	—	—	—	—		
17	Apr. 18, 1935	40,000	143	98	91	83	83	78	21	I
18		50,000	123	—	—	—	—	—		
19	Nov. 15, 1935	40,000	113	98	91	83	83	78	22	J
20	Mar. 28, 1938	40,000	121	105	97	88	88	83	24	K
21	Apr. 15, 1940	40,000	110	105	97	88	88	83	26	L
22	Nov. 15, 1946	40,000	110	105	97	88	88	83	32	M
23		60,000	—	—	96	—	—	—		
24		70,000	—	—	87	87	87	—		
25	Jan. 1, 1947	40,000	135	129	119	108	106	100	32	N
26		60,000	—	—	118	—	—	—		
27		70,000	—	—	107	107	107	—		
28	Aug. 21, 1948	40,000	169	161	149	135	130	120	32	P
29		60,000	—	—	148	—	—	—		
30		70,000	—	—	134	134	134	—		
31	Sept. 1, 1949	40,000	184	175	162	147	142	130	32	Q
32		60,000	—	—	161	—	—	—		
33		70,000	—	—	146	146	146	—		
34	Feb. 1, 1951	40,000	184	175	162	147	137	130	33	R
35		60,000	—	—	161	—	—	—		
36		70,000	—	—	146	146	135	—		
37	Dec. 15, 1951	40,000	184	175	162	147	137	130	34	S
38		50,000	—	—	—	111	105	100		
39		60,000	—	—	161	—	—	—		
40		70,000	—	—	146	—	—	—		
41	Mar. 15, 1952	40,000	184	175	162	147	137	130	35	S
42	to present	50,000	144	128	120	111	105	100		

Wire and Cable, Copper, and other articles in Item No. 8300

Line	Column 1	2	3	4	5	6	7	8	9	10
	Effective Date	Minimum Weight (Pounds)	Rates In Cents Per 100 Pounds, From Origins Shown Below, As Representative Of Rate Group, To Pacific Coast Terminal Cities						Tariff Authority	Reasons
			New York, New York (Group A)	Pittsburgh, Pennsylvania (Group B)	Detroit, Michigan (Group C)	Chicago, Illinois (Group D)	St. Louis, Missouri (Group E)	Kansas City, Missouri (Group F)		
36	Jan. 1, 1947	18,000	388	326	311	296	276	262	32	H
37		30,000	236	216	206	196	182	173		
38		40,000	229	209	200	162	150	143		
39		50,000	189	183	173	—	—	—		
40	Aug. 21, 1948	18,000	404	342	327	312	292	278	32	I
41		30,000	252	232	222	212	198	189		
42		40,000	245	225	216	178	166	159		
43		50,000	205	199	189	—	—	—		
44	Sept. 1, 1949	18,000	440	373	356	340	318	300	32	J
45		30,000	275	253	242	284	216	204		
46		40,000	267	245	235	194	181	172		
47		50,000	223	217	206	—	—	—		
48	Jan. 15, 1951	18,000	440	373	356	340	318	300	33	K
49		30,000	275	253	242	231	216	204		
50		40,000	267	245	235	194	181	172		
51		50,000	195	173	162	150	145	145		
52	Feb. 1, 1951	18,000	440	373	356	340	315	300	33	L
53	to present	30,000	275	253	242	231	214	204		
54		40,000	267	245	235	194	179	172		
55		50,000	195	173	162	150	145	145		

[fol. 289]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket 31503
and Sub Nos.

Exhibit T-299 (GJP-1)

Witness: Gilbert J. Parr

Construction of Divisional Integer Scales

[fol. 290] My name is Gilbert J. Parr. I am a transportation consultant with offices in the Perpetual Building, Washington, D. C.

I have been engaged in transportation work for over 36 years. During the years 1920-1939, I held positions as Accountant, Statistician and Special Operating Accountant in the Operating Department of the Missouri Pacific Railroad. From 1939 to 1950, I was Chief of the Cost Finding Section of the Interstate Commerce Commission. From 1950 to 1952, I was employed by the Waterman Steamship Corporation as Director of Cost and Economic Research. Since 1952, I have been engaged in consulting work. In connection with these positions, I have made studies of railroad operations, costs and rates for management purposes and for presentation to this Commission and other regulatory agencies.

Nature and Purpose of Study

This statement presents the results of my consideration and study of the construction of divisional integer scales as applied to hauls characteristic of the transcontinental movement. In making this study, I have given particular consideration to the scales of divisional integers prescribed in the Official-Southern and Southwestern Divisions cases, Dockets 29885-6, the most recent such scales prescribed by

the Commission. (287 I.C.C. 497, 552; 287 I.C.C. 553, 595). Special attention will be given to the severely adverse effect

—1—

[fol. 291] that scale would have on the rate of return of very long haul carriers where differences in the length of haul of the respective carriers are great.

Integer scales are merely proration factors which provide the mechanical means by which a proper basis of divisions is applied and made effective.[1] In prescribing the Docket 29885-6 integer scales, the Commission found that there were no differences in relative costs, relative revenue needs or other conditions as between the contesting groups of roads in those cases. (287 ICC at 526, 578-79). For this reason, the mechanical operation of these scales can best be isolated and appraised, particularly for application to very long haul traffic, on the assumption of equality of costs and revenue needs. Such an assumption of equality of costs and other conditions serves as a point of departure to show the effect of the integer scales: (1) on the relationship between long haul and short haul carriers where the differences in length of haul are substantial; and, (2) on the relationship between intermediate, and origination or destination carriers, where bridge service is an important feature of the traffic.

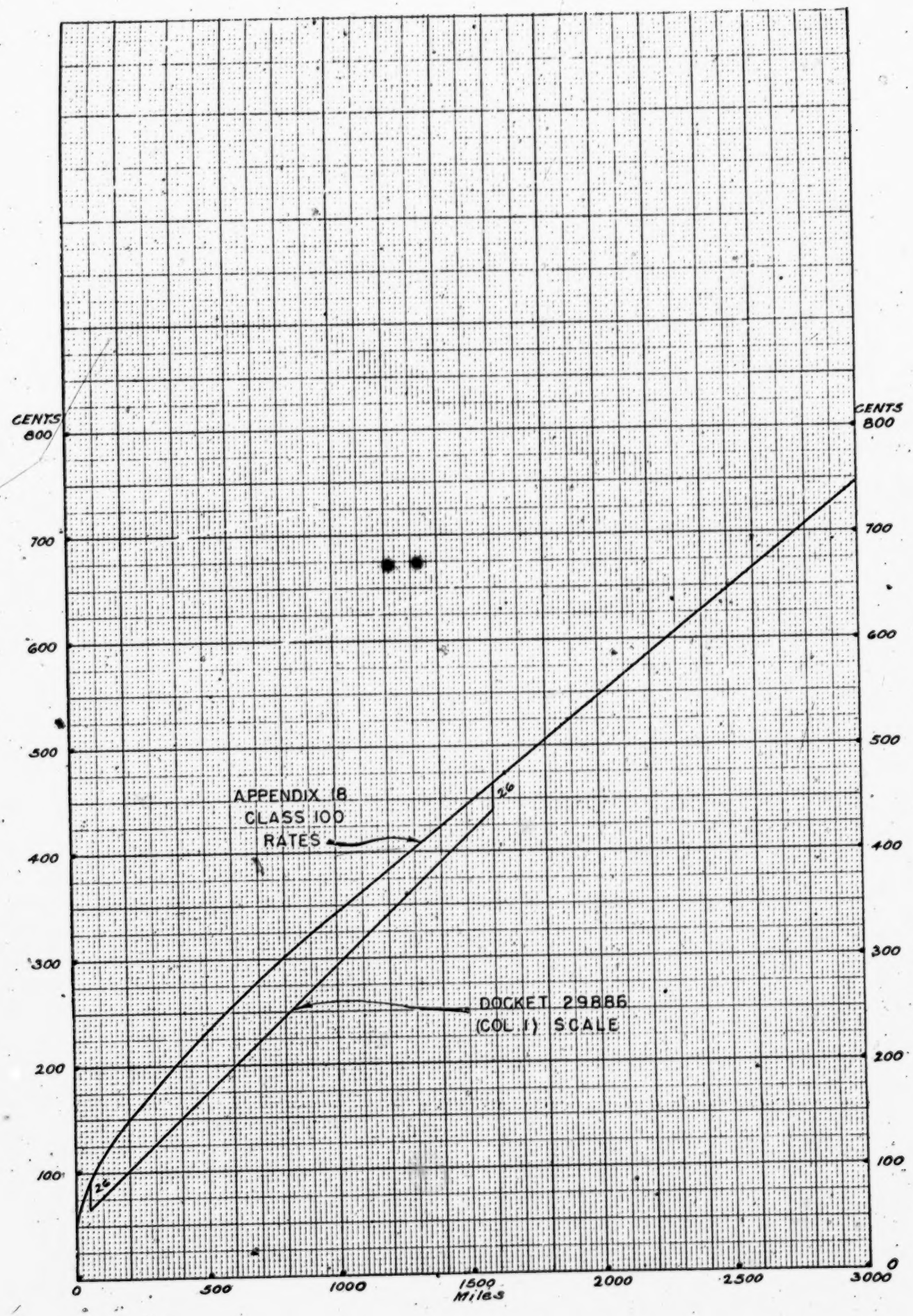
—2—

[fol. 292] I am dealing only with these two relationships as affecting the construction or the mechanics of the ultimate scales. Other factors must, of course, govern the basic determination of whether the present divisions are just and reasonable, or should be changed in one direction or the other, and, if so, in what amount. My testimony does

[1] For example, using the Docket 29886 integer scale, for a haul of 600 miles in the East and 2000 miles in the West, the integer for 600 miles is 198 and for 2000 miles is 535. The sum of the two integers is 733 and the divisions per cent for the East is 27.0 (198 ÷ 733) and the divisions per cent for the West is 73.0 (535 ÷ 733). See Appendix A attached for Docket 29886 scale of integers.

not bear upon these fundamental problems of measuring differences in the amount of cost of service performed in handling the transcontinental traffic, or differences in the relative revenue needs of the carriers. Instead, I am seeking to throw some light on the method or procedure to be used in arriving at an ultimate integer scale, once relative costs, revenue needs, and other such basic determinations have been made.

The determination of fair divisions is a matter not of formula, but of discretion and judgment based upon all the facts of record. It may be assumed that, in the result they produce, the integers prescribed in Docket 29886 reflect all of the considerations affecting divisions which were entitled to weight on that particular record. Nevertheless, in the present proceeding, the Eastern and Midwestern lines have made extensive use of integer scales prescribed by the Commission in other proceedings involving different rate territories, different carrier groups, different traffic and very different lengths of haul. I have prepared, and attach as Appendix B, a comparative table showing the very different character of the hauls in the transcontinental movement as compared with the relative


CENTS
800
700
600
500
400
300
200
100
0
CENTS
800
700
600
500
400
300
200
100
0
APPENDIX 18
CLASS 100
RATES
DOCKET 29886
(COL 1) SCALE
2d
2d
0
500
1000
1500
Miles
2000
2500
3000

[fol. 293]

[fol. 294] hauls on the Official-Southern and Southwestern traffic in Dockets 29885-6 and the Official-WTL traffic in Docket 28277 (269 I.C.C. 765).

My assignment is:

1. To analyze the propriety of using such scales in these cases in light of the relative lengths of haul of the transcontinental traffic; and

2. To suggest a method of procedure by which proper integers may be constructed for use in these cases.

Construction of Docket 29886 Integer Scales

The Docket 29886 divisional integer scale corresponds generally with the Class 100 rate scale prescribed by the Commission as Appendix 18 in the Docket 28300, Class Rate Investigation, 281 I.C.C. 213, 328 (1951).

The graph on the opposite page (now p. 191) shows the relationship between the Appendix 18 rate scale and the Docket 29886 integer scale (column 1).

At the beginning and end of the integer scale (50 miles and 1600 miles), the integers are exactly the same as the Class 100 rate minus 26. The deduction of the figure 26 appears to be the elimination of one terminal, since examination of the Appendix 18 rate scale shows that at zero mileage the terminal figure for both ends of a haul would

—4—

[fol. 295] be 52. This follows from the fact that, at 10 miles the Appendix 18 class 100 rate is 64¢ and at 5 miles 58¢, or a difference of 6¢. Applying this difference to the first 5 miles gives 52 at zero mileage.

Between the 50 mile point and the 1600 mile point, in the integer scale, there is a straight line progression of 12 for each 50 miles (with two exceptions where the progression is 13, evidently due to rounding as the straight line progression would be 12.06 integers per 50 mile block). This is illustrated in the graph opposite page 4 (now p. 191) and the table opposite page 6 (now p. 195).

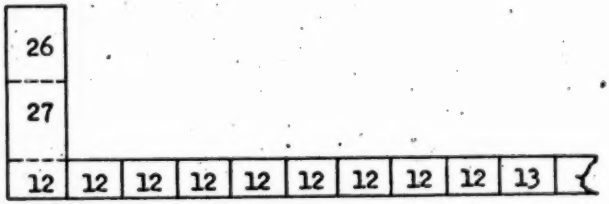
The intermediate (column 2) scale prescribed in Docket 29886 is exactly the same as the basic scale with the exception that a second terminal factor of 26 has been deducted.

In view of this mechanical relationship of the Docket 29886 integers to the Appendix 18 rate scale, it is apparent that the level of the rate scale at 1600 miles completely controls the progression of the Docket 29886 divisional integer scale. Apparently 1600 miles was the longest haul involved in the Official-Southwestern case and the Official-Southern case. In both cases, the scale was the same and ended at 1600 miles.

In using the Docket 29886 scale for the transcontinental hauls, Witness L. E. Butler extended the scale to 3000 miles at the same rate of progression. (Exhibit E-56.) For convenient reference, the scale as thus extended is shown in Appendix A attached.

RATES OF PROGRESSION IN NO. 29886 INTEGER SCALES

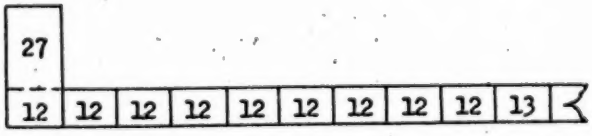
Column 1
(287 ICC 595)



Miles	0	50	100	150	200	250	300	350	400	450	500
Integers		65	77	89	101	113	125	137	149	161	174

Miles	Integer	Progression
50	65	
100	77	12
150	89	12
200	101	12
250	113	12
300	125	12
350	137	12
400	149	12
450	161	12
500	174	13
...	...	..
...	...	..
1750	475	12
1800	487	12

Column 2



Miles	0	50	100	150	200	250	300	350	400	450	500
Integers		39	51	63	75	87	99	111	123	135	148

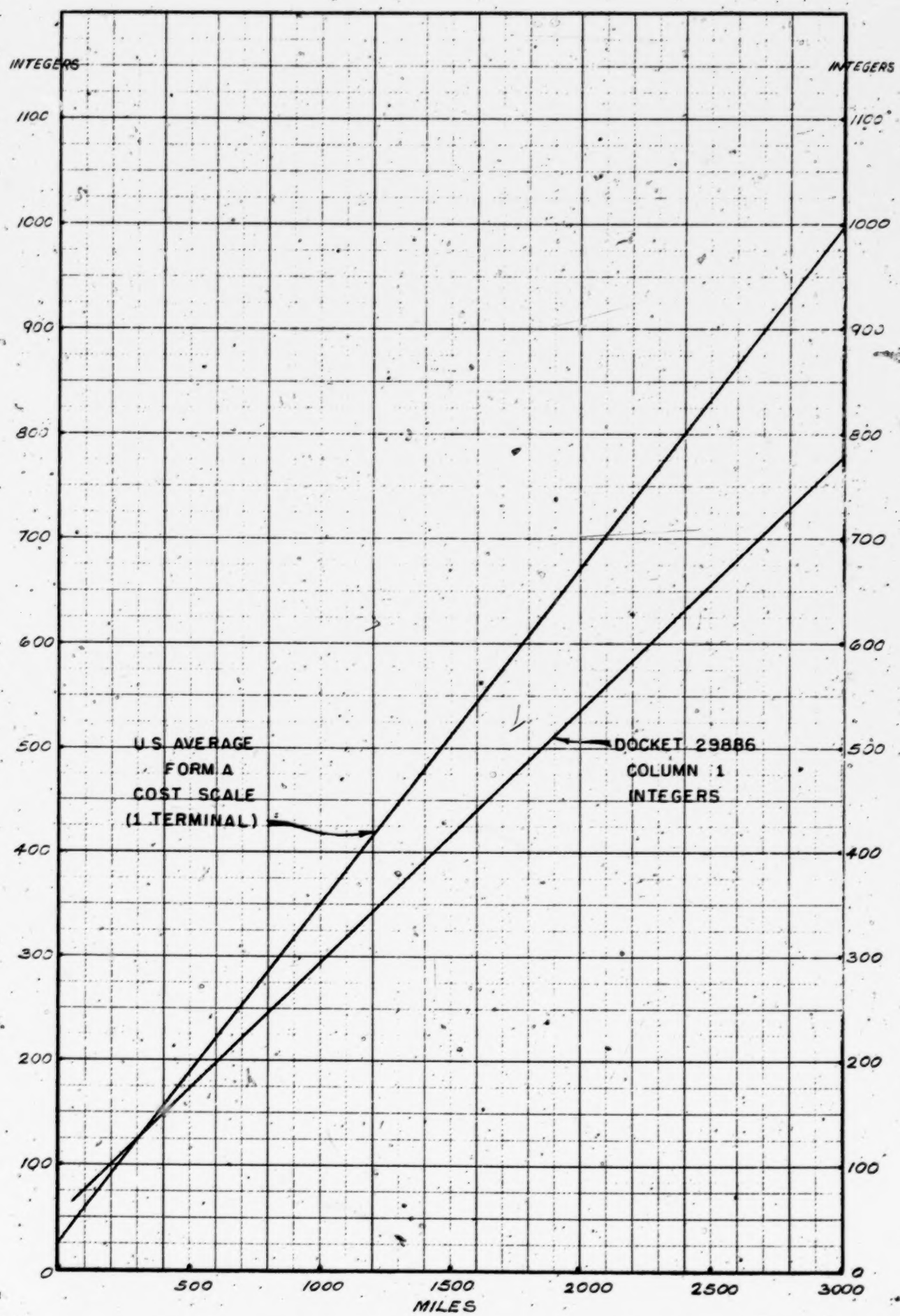
Miles	Integer	Progression
50	39	
100	51	12
150	63	12
200	75	12
250	87	12
300	99	12
350	111	12
400	123	12
450	135	12
500	148	12
...	...	..
...	...	..
1750	449	12
1800	461	12

[fol. 297] A chart which is helpful in analysis of the construction of the Docket 29886 integers is shown on the opposite page (now p. 197). The uniform progression of 12 per 50 miles is shown as a series of blocks. The terminal factor of 26 is shown in the 50 mile block of the column 1 scale. An additional increment of 27 integers also appears in the 50 mile block of both the column 1 and column 2 (intermediate) scales as a mechanical result of deducting the 26 terminal factor at 50 miles, not zero miles, and drawing a straight line from the 1600 mile point influenced by the taper. This 27 integer factor, over and above the terminal factor, has an important effect on the percentage divisions when the integer scale is applied to hauls of greatly different lengths. This is because the constant of 27 is added for each application of the scale, however short or long the mileage, producing relatively higher revenue per mile for the short haul carrier (over and above the allowance for terminal service), than for the long haul carrier.

Docket 29886 Integer Scales as Compared with Cost Scales

As illustrated by the deduction of the terminal factor from the Appendix 18 scale in constructing the Docket 29886 integers, one of the functions of an integer scale is to give proper recognition to terminal service.

Mileage prorates, which are, literally, a form of integer scale, have been frowned upon for failure to give weight to the element of terminal service. The cost studies of the


INTEGERS
INTEGERS
1100
1000
900
800
700
600
500
400
300
200
100
0
500
1000
1500
2000
2500
3000
MILES
U.S. AVERAGE
FORM A
COST SCALE
(1 TERMINAL)
DOCKET 29886
COLUMN 1
INTEGERS

[fol. 298]

[fol. 299] Commission's Cost Finding Section provide for a separation between terminal and line haul costs which can be compared with the relationship of terminal and line haul elements underlying the Docket 29886 integer scales. The United States Form A costs used in my comparisons are set forth and their development explained in my Exhibit T- . . (GJP-2).

A graphic comparison of the U.S. Average Form A cost scale (one terminal) and the Docket 29886 column 1 integer scale extended to 3000 miles is shown on the opposite page (now p. 197).[1] A graph comparing the cost scale (no terminal) with the 29886 column 2 scale would be similar in appearance.

Comparison of the elements of the Docket 29886 integer scale with terminal and line haul cost elements is also revealing. If 26 integers are used as the factor for one terminal handling, 50 miles of through train line haul service should have a value of 16.12 integers,[2] not the 12.06 in-

[fol. 300] tegers provided in the Docket 29886 scale. In other words, the through train line haul element in the Docket 29886 scale is understated by about 25%.

This still leaves the increment of 27 integers, shown on the chart opposite page 6 (now p. 195) to be compared with costs, the terminal element and the through train line haul element having just been dealt with. The increment of 27 should be considered in relation to the incremental cost of way train service over through train service for the average

[1] In order to compare the progression of the cost scale and the integer scale, the cost scale plotted on the graph was converted to the same basis as the 29886 integer scale. Since the integer scale terminal element is 26, or 4.542 times the 5.724 cost for one terminal, the cost scale was placed on the same basis as the integer scale by multiplying the costs at each integer by the factor 4.542.

[2] The 16.12 integers are computed as follows: The through train cost for a 50-mile haul is 62 per cent of the cost of one terminal (3.55 cents, 50 mile line haul cost divided by 5.72 cents, one-terminal cost, computed from Exhibit T- (GJP-2), Appendix A, page 1). Applying the 62 per cent to the 26 integers, applicable to the terminal cost, produces 16.12.

way train service at each end of the haul. In its Docket 28300 report, the Commission stated that Class Rate Scales generally had a greater rate of progression in the lower mileages, the purpose being "to reflect the relatively expensive service furnished by way-freight trains." 262 I.C.C. at page 642. It may be noted that the class rate scale covers the way train costs at both ends of the haul and that, in constructing the Docket 29886 column 1 integer scale based on the class rate scale, no deduction has been made to reflect the fact that the column 1 integer scale covers only one end of the haul. The integer scale for one end of a joint haul should not include *two* way train services. To do so would be contrary to the theory of deducting one terminal in constructing the integer scale from the rate scale.

In any event, 27 integers is far greater than any allowance which could be justified by the increment of way train over through train costs. With a U.S. Average haul of 21 miles in way trains (at each end of the haul), the incre-

—8—

[fol. 301] ment would be only a little more than one integer, namely 1.30,[1] in relation to a terminal factor of 26 integers, and not the 27 integers found in the Docket 29886 column 1 scale. This one integer relationship assumes that the only difference in way train costs is due to differences in train tonnage and, as a result, may understate the expense of way service. But this shows plainly that the higher cost of way train service could not possibly justify anything more than a small fraction of the 27 integers in the Docket 29886 column 1 scale. And, of course, no part of the 27 integers in the Docket 29886 column 2 (intermediate) scale

[1] The 1.30 integers are computed as follows: The incremental cost of way train over thru train for a 21 mile haul is 5 per cent of the cost of one terminal (0.0857 minus 0.0711 or 0.0146 cents per mile times 21 miles divided by 5.72 cent one terminal cost, computed from Exhibit T- (GJP-2) Appendix A, Page 1). Applying 5 per cent to the 26 integers applicable to the terminal cost, produces 1.30.

could be justified by the higher cost of way train service since no way service would be performed by bridge carriers.

The cost of interchange could not account for the increment of 27 integers in the Docket 29886 scales. Interchanges are built into the line haul costs and, if interchanges are to receive a separate allowance, an offsetting adjustment would have to be made in the line haul. Furthermore, 27 integers could not consistently or logically measure the value of *two* interchange handlings (each of which is half of a full interchange) by an intermediate line and, at the same time, also measure *one* interchange handling (one-half of a full interchange) by an origination or a destination line.

—9—

[fol. 302] The next section of my testimony deals with the construction of rate scales and shows that the progression of the rate scale (which governed the construction of the Docket 29886 integer scale), is depressed at the longer hauls by a downward taper dictated not by cost but by commercial considerations.

Contrast Between Cost Scales and Rate Scales

In constructing class rate scales, cost elements have had particular influence at the shorter hauls. The terminal element, an allowance for expensive way train service, and the relatively lower level of through-train cost influence the progression of costs at the lower distances in the scale. These cost factors, together with the different relationship of carload to LCL traffic at various hauls, were spelled out as the basis for construction of the early Southern Class Rate Scale, 100 I.C.C. 513, 642-644 (1925). Subsequent study of a number of Commission prescribed scales revealed a similar pattern, as discussed in the Docket 28300 Class Rates report previously cited.

However, at the longer hauls, a further factor comes into play in the construction of class rate scales. Irre-

spective of cost consideration, class rates for the longer distances are tapered downward severely to move the traffic. In the Docket 28300[1] report, the Commission referred

—10—

[fol. 303] to this reduction of the progression of rates below the progression of through train costs as follows:

> "In the longer reaches of the scales there was a still lower rate of progression for the purpose of permitting traffic to move long distances." 262 I.C.C. at page 642.

This characteristic of class and other rate scales had earlier been considered by the Commission's Bureau of Statistics in connection with studies comparing the relationship of rate and cost scales:

> "The amount of tapering of the rate per ton-mile which results from these approximations of cost does not conform to common rate making practice, which makes a wider difference between the rate per ton-mile for medium and long distance than can be justified from the standpoint of cost. In other words, the principle of what the traffic will bear has influenced the progression for distance as well as the general level of the scales in actual use." (Bureau of Statistics Statement 3681)

In other words, the taper in the rate scale progression is based on commercial traffic considerations applying to the through movement which have nothing whatever to do with the cost of service of the carriers or groups of carriers participating in that movement.

---

[1] As shown by Mr. Stilling in Appendix E of his Exhibit T-(AJS-1), it may be noted parenthetically here that the progression of the Appendix 18 scale creates even a greater difference per mile between the long haul and short haul than does the Appendix 10 scale as to the distances here involved.

The Unfairness of Using Rate Scales as the Basis for Divisional Integers where the Long Haul Taper Comes into Play

The tapering of class rates with distance involves value of service as distinguished from cost of service factors. It is important to note, moreover, that the value of service elements relate to the entire service, not simply to that

—11—

[fol. 304] portion of the service performed by the long haul carrier. In other words, the tapering of rates for the longer distances in order to move traffic operates to the benefit of all participants in the through rate because it is by reason of the depression in the rate below the cost progression that all the carriers are able to share in revenues from traffic that would not otherwise move.

Since the severe tapering in the rate scale is for the benefit of all participating lines and has nothing whatever to do with the relative contribution of the participating lines in the through movement, the reduction or taper in the rate should be borne fairly and ratably by the participating lines. If the contour of the class rate scales were permitted to govern the division of through rates and if, as is the case with the transcontinental hauls, one group of carriers has extremely long hauls relative to the other carriers, the taper in the rate scale would greatly reduce the division of the long haul roads. This has the effect of imposing on one group of carriers the entire burden of the taper made for the benefit of all participating carriers.

It must be borne in mind that the depression or taper in the class rate scales is a reduction in the revenue per mile of the long haul carrier over and beyond the reduction attributable to cost of service factors. Thus, lower revenue per mile for the long haul carrier would be appropriate, other things being equal, on account of lower unit costs per ton-mile occasioned by spreading terminal or way-train

—12—

[fol. 305] service over a longer through haul. Such factors are taken into account in the cost scale. The taper in the

long haul rates, below the progression of through train costs, will, if reflected in the integer scale, impose on the long haul carrier a reduction in revenue per mile which is so much lower than costs, and so inconsistent with costs, as to transfer that carrier's earnings to its short haul connection.

Use of the Rate Scale Taper in Fixing Divisions of Long Haul Carriers would Decree an Unreasonable, Severely Depressed Rate of Return for the Long Haul Carrier Relative to its Short Haul Connections.

The rate scale taper, if permitted to influence the construction of divisional integers for application to greatly diverse hauls, would severely and unfairly reduce the *rate of return* of the long haul carriers relative to the short haul participants in the traffic. This effect on rate of return necessarily follows from the fact that the only margin in the costs is the return factor. Operating expenses, rents and taxes remain the same whatever the revenue. The effect on rate of return may be illustrated by several examples, based on U.S. Form A Average costs per car. I use the U.S. average costs to show what divisions would be warranted on an assumption of complete equality of costs and other pertinent elements so that when the departure from such equality has been measured, one group relative to another, that degree of divergence may be truly reflected in the ultimate integer scale.

—13—

Using relative hauls of 600 miles and 2000 miles for [fol. 306] purposes of illustration (these being approximately the Eastern and Western hauls on transcontinental

traffic), the following table shows the cost relationship for the average car on the basis of U.S. costs:

	Full Costs[1]			
Miles	Operating Expenses, Rents and Taxes	Return at 4%	Total	Divisions (Per Cent)
600	$209.94	$ 27.55	$237.49	24.7%
2000	637.49	85.49	722.98	75.3
2600	$847.43	$113.04	$960.47	100.0%

In other words, a division of $960.47 through revenue on the basis of the relative costs (24.7% and 75.3%) produces a rate of return of 4% for each of the railroads participating in the haul.

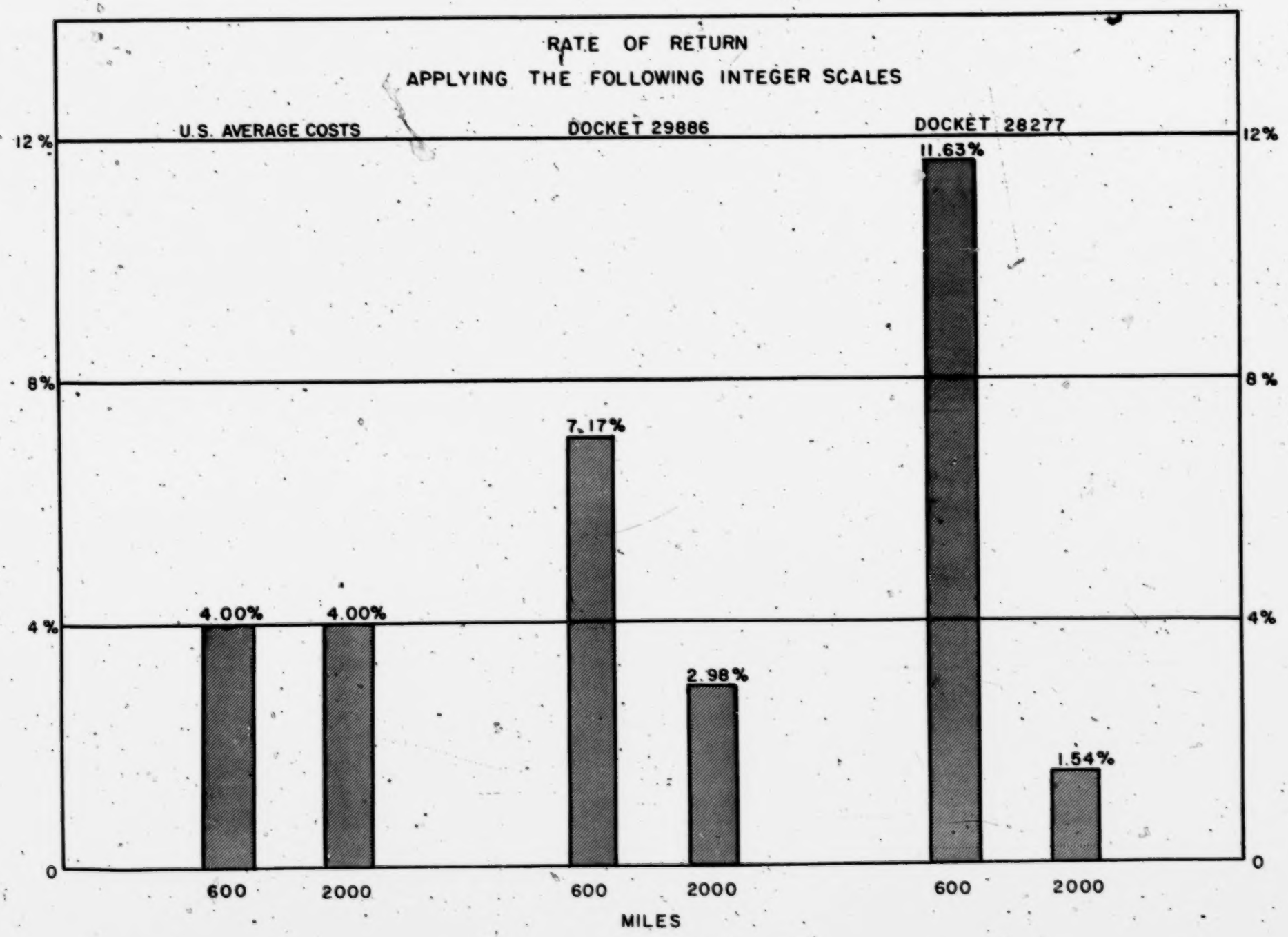
If the Docket 29886 integers are used to divide the same $960.47 revenue, the per cent distribution of the revenue would be 27% and 73% for the 600 and 2000 mile hauls,[2] respectively. The effect on rate of return is as follows:

			Full Costs		
Miles	Docket 29886 Divisions	Revenue	Operating Expenses, Rents, Taxes	Return	Rate of Return
600	27.0%	$259.33	$209.94	$ 49.39	7.17%
2000	73.0	701.14	637.49	63.65	2.98
2600	100.0%	$960.47	$847.43	$113.04	4.00%

[1] Source: Exhibit T- (GJP-2), Appendix C.

[2] 198 integers at 600 miles and 535 integers at 2000 miles each divided by the sum (733) to derive percents. The Docket 29886 integer scale, as extended to 3000 miles by Witness L. E. Butler in Exhibit E-56, is set forth in Appendix A, attached hereto.

[fol. 307]


RATE OF RETURN
APPLYING THE FOLLOWING INTEGER SCALES
U.S. AVERAGE COSTS
DOCKET 29886
DOCKET 28277
12%
8%
4%
0
4.00%
4.00%
7.17%
2.98%
11.63%
1.54%
600
2000
600
2000
600
2000
MILES

[fol. 308] By applying the Docket 29886 integer scale, the 600 mile carrier not only receives full reimbursement of the cost exclusive of return, but a return of 7.17% while the long haul carrier is cut down to a return of only 2.98%, a plainly inequitable division of the return or profit. Stated in another way, the return, which is the incentive of the service and all that is retained, is almost doubled for the short haul carrier and reduced by more than one-fourth for the long haul carrier.

The more extreme effect of the Docket 28277 scale, which follows the rate scale progression even more closely than does the Docket 29886 scale, is shown in the following table where, as in the preceding table, the total revenue is $960.47 and equals the total of operating expenses, rents, taxes, and a 4 per cent return:

			Full Costs		
Miles	Docket 28277 Divisions[1]	Revenue	Operating Expenses, Rents, Taxes	Return	Rate of Return
600	30.2%	$290.06	$209.94	$ 80.12	11.63%
2000	69.8	670.41	637.49	32.92	1.54
2600	100.0%	$960.47	$847.43	$113.04	4.00%

The chart on the opposite page (now p. 205) compares the rate of return produced by the cost scale, the Docket 29886

—15—

[fol. 309] scale and the Docket 28277 scale to 600 and 2000 mile hauls. These examples are illustrative of the severe and unfair impact that divisional integer scales governed by the rate scale taper have on the rates of return of long haul relative to short haul carriers where the differences in length of haul are extreme. I have used 600 and 2000 miles as illustrative. Similar comparisons would result had

[1] 137 integers at 600 miles and 316 integers at 2000 miles each divided by the sum (453) to derive percents. The Docket 28277 integer scale, as extended to 3000 miles by Witness L. E. Butler in Exhibit E-56, is set forth in Appendix A, attached hereto.

I used 500 and 1600 miles, the approximate relative hauls of the Midwestern and Transcontinental lines.

The Extreme Effect of Rate Scale Integers on Rates of Return Where Intermediate Hauls are Involved

As previously discussed, the Docket 29886 scale includes an increment of 27 integers over and above the terminal and line haul allowance for the first 50 miles. This same increment is built into the intermediate (column 2) scale. This factor makes the depressing effect of the Docket 29886 scale on the rate of return of the long haul carrier even more extreme where an intermediate application of the scale is involved.

To show this, I have used hauls of 600 miles for one line performing origin or destination service (East), 400 miles for the intermediate carrier (Midwest) and 1600 miles for the other line performing origin or destination service (transcontinental). This example again assumes that the revenues are equal to the U. S. average full costs. On this basis of costs, each road would earn a 4% rate of return with the following division of revenue:

—16—

[fol. 310]

	Cost Basis		Full Costs		
Miles	Divisions	Revenue	Operating Expenses, Rents Taxes[1]	Return[1]	Rate of Return
600	24.7%	$237.49	$209.94	$ 27.55	4.0%
400	14.5	138.71	122.16	16.55	4.0
1600	60.8	584.27	515.33	68.94	4.0
2600	100.0%	$960.47	$847.43	$113.04	4.0%

In other words, a division of $960.47 revenue on U. S. Average Costs produces a 4.0% return for each of the participating carriers.

[1] Source: Exhibit T- (GJP-2), Appendix C.

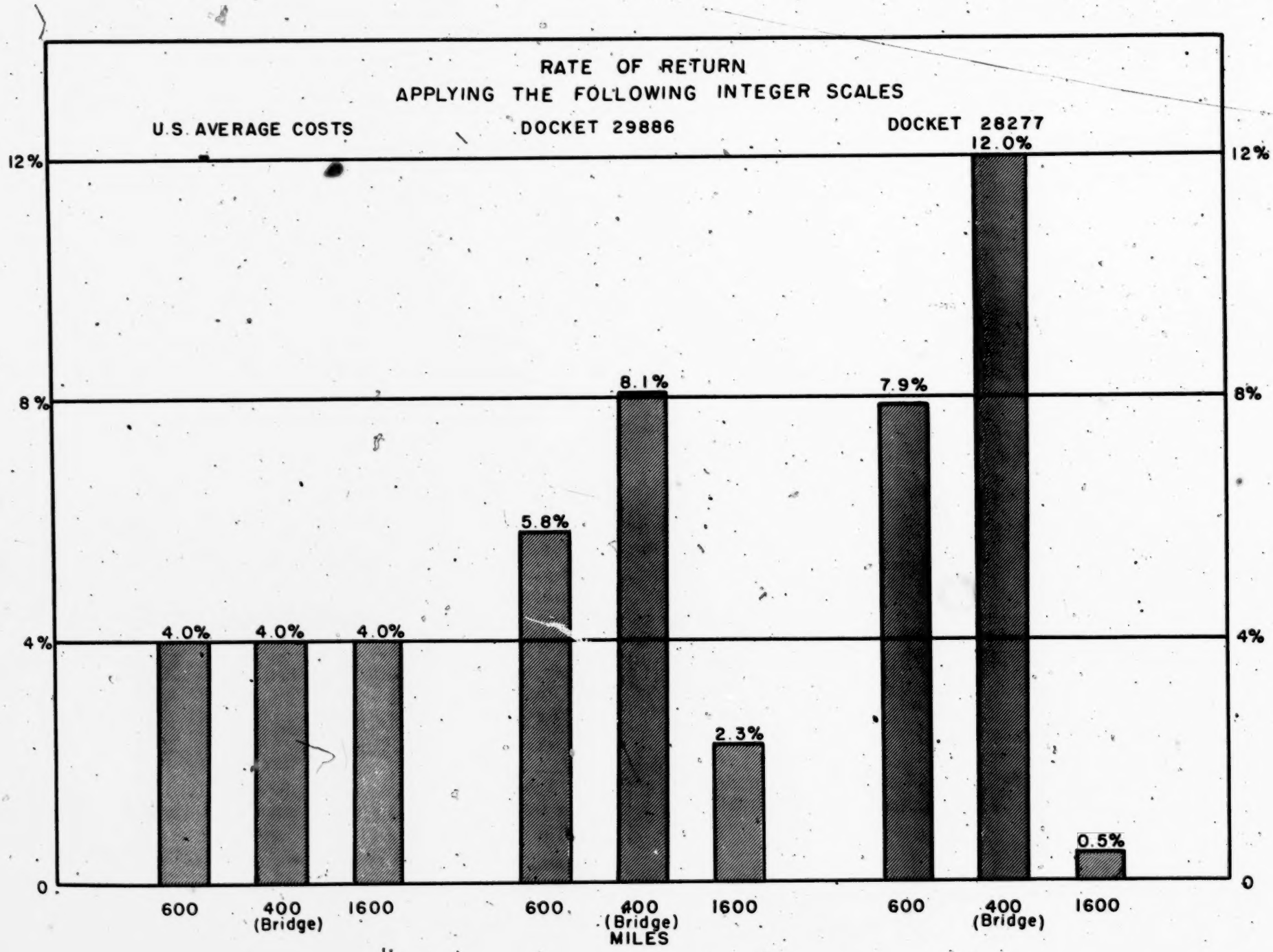
Application of the Docket 29886 integers would increase the division of short haul origin or destination line and also increase the divisions of the intermediate line, with the following effect on rate of return:

Miles	29886[1] Divisions	Revenue	Full Costs Operating Expenses, Rents, Taxes	Return	Rate of Return
600	26.0%	$249.72	$209.94	$ 39.78	5.8%
400	16.2	155.60	122.16	33.44	8.1
1600	57.8	555.15	515.33	39.82	2.3
2600	100.0%	$960.47	$847.43	$113.04	4.0%

Thus, dividing the same $960.47 revenue by use of the Docket 29886 integers, the rate of return of the long

[1] 198 integers at 600 miles, 123 integers (149 less 26) at 400 miles and 439 integers at 1600 miles, each divided by the sum (760) to derive percents. See Appendix A for integer scale.

[fol. 311]


RATE OF RETURN
APPLYING THE FOLLOWING INTEGER SCALES
U.S. AVERAGE COSTS
DOCKET 29886
DOCKET 28277
12%
8%
4%
0
4.0%
4.0%
4.0%
5.8%
8.1%
2.3%
7.9%
12.0%
0.5%
600
400 (Bridge)
1600
600
400 (Bridge)
1600
600
400 (Bridge)
1600
MILES

[fol. 312] haul carrier is reduced to 2.3%, and the rate of return of the short haul terminal line and the intermediate carrier are increased to 5.8% and 8.1% instead of the 4% produced for all lines by divisions based on the relative costs.

The effect of the Docket 28277 scale on rate of return is even more unfair to the long haul carrier:

			Full Costs		
Miles	28277[1] Divisions	Revenue	Operating Expenses, Rents, Taxes	Return	Rate of Return
600	27.5%	$264.13	$209.94	$ 54.19	7.9%
400	17.9	171.92	122.16	49.76	12.0
1600	54.6	524.42	515.33	9.09	0.5
2600	100.0%	$960.47	$847.43	$113.04	4.0%

Intermediate application of the Docket 28277 scale produces a 12.0% return for the bridge carriers and but half of one percent for the long haul carriers, as compared to a uniform 4.0% return produced by the cost factors.

The chart on the opposite page (now p. 209) compares the rates of return produced by the cost scale, the Docket 29886 scale and the Docket 28277 scale in the above examples involving an intermediate haul. In these examples, the costs and integer scales have been applied with a three-way break and therefore do not reflect the compounding effect of the intermediate application of the Docket 28277 scale to two

—18—

[fol. 313] midwestern bridge hauls which would occur under the 4-way break proposed by the Midwestern group.

[1] 137 integers at 600 miles, 89 integers (107 less 18) at 400 miles and 272 integers at 1600 miles, each divided by the sum (498) to derive percents. See Appendix A for integer scale.

The Urgency of Basing Divisional Integers on a Proper Yardstick if Integers are to be Applied to the Transcontinental Traffic

The average haul of the long carrier in the Transcontinental movement is much greater and the differences in hauls are far more disparate than in any of the divisions cases in which divisional integer scales have been prescribed. This fact is of the greatest significance since the adverse effect of using a downward tapering scale as a measuring rod for the longer distances is much more serious than was the situation in the prior proceedings. Previous calculations show the effect of the Docket 29886 scale on rates of return as applied to the transcontinental hauls; similar calculations applying the same scale to the much closer average hauls in the previous cases show that the effect on rate of return is relatively minor.

The effect on rates of return of using divisional integers influenced by the construction of a rate scale such as the Docket 28277 or 29885-6 integers, would be minor under the following circumstances:

(1) where the respective hauls do not differ materially;

(2) where the haul of the longer haul road is not sufficiently long to bring the tapering effect of the rate scale into play;

(3) where a group of roads is long haul on some traffic and short haul on other traffic; or

[fol. 314] (4) where the involved traffic contributes but a small proportion of the total revenue and expenses making up the rate of return.

In the interterritorial divisions cases previously before the Commission and in which the Docket 28277 and 29885-6 integer scales were prescribed, the average hauls were relatively close, as shown in the table in my Appendix B. In no case was the average haul of the long haul road in excess of 800 miles and the tapering of the rate scale for commercial

reasons, while it may begin at medium length hauls, does not depress the rate scale so significantly until much longer distances are reached. And, to the limited extent the taper does influence their divisions, the Official territory roads are long haul on some traffic (WTL) and short haul on other traffic (Southern), so that the minor influence of the tapering is offsetting.

In the transcontinental divisions case, the hauls of the long haul carriers are more than triple the hauls of the short haul carriers, and the hauls are of such lengths that the applicable rates are markedly depressed by the commercial taper in the rate scale. The transcontinental lines have no offsetting taper on which they are short haul—they are the long haul roads on all of the interterritorial traffic in which they participate. Moreover, the effect of the rate scale taper on the total rate of return of the transcontinental roads would be severe, since 50% of their total revenue is derived from divisions of transcontinental traffic. None of the other groups of roads have anything like this depen-

—20—

[fol. 315] dence on transcontinental or any other segment of interterritorial revenue.

The unfairness of using a rate scale progression in divisional integers and thereby imposing on the long haul carrier the entire burden of the downward taper of rates, made not because of reduced costs, but for commercial reasons, was recognized and clearly articulated by the Eastern carriers in Docket 28277, the Official-WTL Divisions case. In that proceeding, the average haul of the Eastern lines was somewhat longer than that of the Western Trunk Lines, but nothing approaching the differences in haul in the transcontinental traffic, as shown in Appendix B. The Eastern lines, at various stages of the proceedings, stressed the unfairness to the long haul carrier of making divisions reflecting the rate scale taper made to move traffic. For example, the Eastern lines stated:

> "Manifestly, rate progressions as the basis for divisions would be ruinous to any group of railroads. * * * the lower value per mile reflected to the [long haul

rate] is attributable to the combined through services of both groups of railroad—not to a part of the service to one group.

* * * * * * *

"[A division based on a rate progression] proposal is unsound because it places upon the Eastern railroads the entire burden of the low value of the rate per mile, for the long haul from Omaha to Portland [Me.], as compared with the relatively higher rate for the much shorter haul from Omaha to South Bend [Ind.]." (Exceptions to Examiner's report (first report) pp. 77, 79).

Other expressions of the Eastern lines are set forth in Appendix C attached. The Eastern lines' statements in Docket 28277 correctly express the unfairness inherent in

—21—

[fol. 316] imposing the full burden of the rate scale taper on the long haul lines. But it should be noted, as the Commission obviously did, that the principle thus emphasized did not actually come into play on the hauls there involved, not only because the differences in haul were relatively minor, but, more important, because the average haul of the "long haul" Eastern lines was only 676 miles which is about the point in the class rate scale where the tapering of the scale for traffic considerations begins, so that the substantial differences between the rate scale and the cost scale do not build up until greater distances.

Conclusions

On the premise of equal costs, the foregoing examples show the confiscatory effect on the revenues of very long haul carriers, relative to short haul and intermediate carriers, of using divisional integers influenced by construction of a rate scale. Since the integer scales prescribed in Docket 28277 and 29885-6 are influenced by the rate scale progression, it would not be proper to apply such integer scales in determining transcontinental divisions, where the differences in length of haul are extreme.

The unfair and disastrous results, caused by use of the rate scale progression in divisional integers when the hauls are greatly different, are avoided by use of a cost scale. By using a cost scale to divide the joint revenue, each participating carrier obtains the same rate of return from its

—22—

[fol. 317] handling of the traffic. It is immaterial what rate is used—if the rate is one that produces a substantial profit, all of the carriers would receive the same substantial rate of return under a division of that rate based on a cost scale; if the rate is a low one that produces little profit or no profit, all of the carriers would receive the same low rate of return, or the same deficit, under a division of the rate based on a cost scale. Once traffic has moved under whatever rate was necessary to move it, the division of that rate, assuming equality of revenue needs from that traffic, should be such as to produce the same rate of return for each of the partners to the joint haul. The use of a cost scale produces this result.

As stated above, for purposes of analysis, the examples used to show the effect of rate scales and cost scales on divisional integers have assumed equality of conditions for all participating carriers. If integers are used in dividing transcontinental revenues, such integers can not of course, be based on assumed equality of conditions but must be adjusted to take account of, and give effective consideration to, all of the evidence of record showing differences as between the respective groups of carriers. If integers are to be used in determining point-to-point or group divisions of very long haul rates, it is suggested that the following method or procedure be employed:

1. Use cost scales as a point of departure in developing integer scales. If there were no differences as between territories, U. S. Average cost scales would properly relate the long, short and intermediate hauls.

—23—

[fol. 318]

2. Adjust and modify the cost scales, by such means as percentage inflation or deflation, to give effect to

differences as between the respective territories and groups of carriers, including:

a. Differences in the cost of handling the transcontinental traffic, under efficient management and operation;

b. Differences in the participation in transcontinental traffic as originating, intermediate or terminating lines;

c. Differences in system revenue needs as shown by rates of return, territorial average costs of handling the average traffic, revenues from the average traffic and other facts;

d. Differences in degrees of dependence on revenue from the transcontinental traffic;

e. Differences in territorial conditions as reflected in different class rate levels.

3. Use the integer scales, as appropriately adjusted, to produce percentage divisions, either on a group or point-to-point basis.

By using U.S. Average costs as the basis for computing divisional integers, the amount of inflation or deflation due to differences in costs and revenue needs can be correctly determined. This follows from the fact that the U.S. Average cost integers, unadjusted, assume equality of cost and revenue needs and thus provide a datum line or point of departure for adjustments which measure differences in conditions, or variations from equality. As adjusted for differences in costs, the cost scale produces the result urged by the Eastern lines: "to equalize the profit on a relative cost basis." (Exhibit E-55, p. 10). A departure from this

—24—

[fol. 319] basis cannot fairly be introduced by the commercial taper of the rate scale progression, a factor which has nothing to do with the relative contribution of the carriers to the joint service.

—25—

Integer Scales as Extended in L. E. Butler Exhibit No. E-56

Miles	Docket 29886 (Column 1)	Docket 28277	Miles	Docket 29886 (Column 1)	Docket 28277
50	65	42	1550	427	266
100	77	52	1600	439[2]	272
150	89	62	1650	451	278
200	101	72	1700	463	284
250	113	82	1750	475	290
300	125	92	1800	487	295
350	137	100	1850	499	301
400	149	107	1900	511	306
450	161	115	1950	523	312
500	174	122	2000	535	316
550	186	130	2050	547	322
600	198	137	2100	559	326
650	210	145	2150	572	331
700	222	152	2200	584	335
750	234	160	2250	596	339
800	246	167	2300	608	343
850	258	175	2350	620	347
900	270	181	2400	632	350
950	282	189	2450	644	354
1000	294	195	2500	656	357
1050	306	203	2550	668	361
1100	318	209	2600	680	364
1150	330	216	2650	692	368
1200	342	222[1]	2700	704	371
1250	354	229	2750	716	375
1300	367	235	2800	728	378
1350	379	242	2850	740	382
1400	391	248	2900	752	385
1450	403	254	2950	764	389
1500	415	260	3000	776	392

[1] Scale prescribed ended with 1200 miles.

[2] Scale prescribed ended with 1600 miles.

Appendix B

The Very Different Character of the Transcontinental Hauls as Compared with the Hauls Involved in the Docket 29885-6 and 28277 Proceedings.

The following table shows the differences in hauls of the respective groups of carriers on the transcontinental traffic as compared with the hauls in Dockets 29885-6 and 28277 Proceedings. (As shown by the traffic studies described in each report):

	Official Territory Miles	Other Miles	Difference in Miles	Ratio of Long Haul to Short Haul
Official-Southwest (Docket 29886)				
East's Study	611	711	100	1.16
S W's Study	672	760	88	1.13
Official-Southern (Docket 29885)				
Northbound	370	500	130	1.35
Southbound	325	440	115	1.35
Official - WTL (Docket 28277)				
East's Study	676	425	251	1.59
WTL's Study	667	482	185	1.38
Official-Mountain-Pacific (Docket 31503)				
East's Study 1/	599	2002	1403	3.34
T C's Study 2/	591	2036	1445	3.45
Midwest-Mountain-Pacific (Docket 31503 Sub No. 1)				
Traffic originating or terminating in Midwest 2/:				
East of Twin Cities and Missouri River Gateways	382*	1640	1258	4.29
Balance of territory	626*	1249	623	2.00

* Midwestern miles east of gateways.
1/ Exhibit E-2, Section IV.
2/ Exhibit T-_____ (HJK-2).

[fol. 322] It will be noted from this table: that in the *Official-Southwestern case,* docket No. 29886, the average distance of the longer haul carrier group was only from 13 to 16 per cent more than for the other group of carriers; that in the *Official-Southern case,* docket No. 29885, the average distance of the longer haul carrier group was only 35 per cent more than the average for the other group; and that in the *Official-Western Trunk Line case,* docket No. 28277, the longer haul carrier group had an average distance 38, or at most 59 per cent greater than the average distance for the other group. In contrast, the average distance for the Western carriers in the present case is over 230 per cent greater than the average for the Eastern carriers.

The much longer average distance of the Western carriers in the present case as compared with the longer haul carrier groups in the cases mentioned is further shown by the table. The difference in miles between the Western and Eastern groups of carriers in the present case, namely 1400 miles, is over 14 times the difference in distance in the *Official-Southwestern case,* No. 29886, is over 10 times the difference in distance in the *Official-Southern case,* No. 29885, and is over 5½ times that in the *Official-Western Trunk Line case,* No. 28277.

No intermediate hauls were involved in Docket 28277 or Docket 29885. And, in prescribing an integer scale for intermediate application in Docket 29886, the Southern haul on Official-Southwestern traffic was unimportant to the case as a whole since only 7% of the traffic incurred an intermediate haul. (287 I.C.C. at page 555.) Moreover,

[fol. 323] this traffic did not present the situation of the short-haul bridge carrier relative to long haul connections which is of such great importance on the transcontinental traffic. On the Southwestern-Southern-Official traffic, the

respective hauls were 304 miles, 684 miles and 363 miles. (287 I.C.C. at page 556.) As a result, the Docket 29886 intermediate integer scale, which greatly favors short bridge hauls, did not have such effect in Docket 29886 because the Southern bridge hauls were much longer than the hauls of the Southwestern and Official territory carriers, with the result that the increment accorded the bridge line was offset by the fact that the same scale was adverse to the long haul. So far as I have been able to determine, no question was raised in the Docket 29886 proceeding concerning the construction of the intermediate integer scales. This is not surprising in view of the relative unimportance of the traffic affected, and the offsetting effects of the scale construction on long haul bridge carriers. In the transcontinental traffic, where a heavy volume of traffic is handled over very short bridge hauls, construction of intermediate scales is of the utmost importance.

In considering the application of scales prescribed in other cases to the transcontinental hauls, it should be considered that the Commission has never prescribed divisional integers based on the rate scale progression in any case in which the average distance of the long haul carrier so greatly exceeded the average haul of the opposing carriers. No case exists in which the hardship of applying the downward taper of a rate scale to the long

[fol. 324] haul carriers remotely approaches the situation here presented. In the phase of Docket 15234 which involved the transcontinental-Midwest divisions, the 1934 report of the Commission approved divisions measured in terms of a constructive mileage prorate, and did not apply a rate scale progression as had been done in the earlier SW-WTL phase of the same Docket 15234 investigation.

[fol. 325]

BEFORE THE
INTERSTATE COMMERCE COMMISSION

I.C.C. Docket 31503 and Sub Nos.
Exhibit No. T-301 (GJP-3)
Witness: Gilbert J. Parr

Straight Line Progression of Average Through Train Line Haul Costs with Distance

[fol. 326] Cost scales produced by Rail Form A and other cost formulas prepared by the Commission's Cost Finding Section show through train line haul costs progressing upward with distance in a straight line. This progression of through train line haul costs in the cost scales, such as those introduced in my Exhibit T- (GJP-2), differentiates cost scales from the taper, or declining rate of progression, characteristic of rate scales.

The purpose of this portion of my testimony is to show that the straight line progression of through train line haul costs is not now a statistical assumption, as the Commission had characterized cost studies pre-dating the establishment of the Cost Finding Section, but is an established fact, based on analysis of the various accounts included in the line haul costs and upon special studies made by the Commission's Cost Finding Section.

Before examining the Cost Section's studies on the progression of line-haul costs, a brief description of railroad operations will illustrate the nature of the problem. Generally speaking, railroad service consists of:

(1) originating the car;

(2) gathering the cars and moving to a terminal where through trains are made up;

(3) transportation in a through train, or a series of through trains, over one or more railroads to a terminal adjacent to destination;

(4) distributing the cars from the through train terminal to destination; and

(5) terminating the car.

—1—

[fol. 327] The gathering and distribution line haul services (2 and 4 above) do not come into play if the car originates or terminates in an area in which through trains are made up or terminated. Otherwise, way train and branch line service is required before and after through train operation. The local or way and branch service is part of the line haul cost but has a generally higher unit cost per mile than through train service. No separation between way and through service was available in connection with cost studies introduced in the 1920s and 1930s. Without such a separation, the spreading of all line haul costs uniformly over the mileage does not take into account the lower level of through train unit costs.

Once a separation between through and way service is made, it can be shown that the through train line haul costs vary, on the average, in a straight line relationship with distance. After the gathering service, line haul service consists of movement in through trains from engine district to engine district until the final terminal is reached. As between engine districts, which are normally about 100 miles in length, the costs of operation vary depending on terrain and other local conditions. But such conditions, making one 100 miles high cost and another 100 miles low cost, occur without regard to the length of haul of the shipment, and can occur as well in the last, or the first, or any other 100 miles of a through movement. As a result, through train costs progress, on the average, in a straight line.

—2—

[fol. 328] The fact that differences in terrain and other local conditions affect the level of through train line haul costs, as between engine districts in the same or different territories, means that the progression of costs is in an uneven, or jerky, progression averaging a straight line—

all directions and movements considered. For example, if a 1000 mile through train movement occurs over 5 high cost engine districts in the mountains and 5 low cost engine districts in level territory east of the mountains, the progression of through train costs will tilt downward for the last 500 miles on Eastbound traffic; but the progression of through train costs will tilt upward for the last 500 miles on Westbound traffic. The progression of through train costs depends on the cost characteristics of the engine districts, and can as well increase as decrease with distance depending on terrain and other conditions affecting costs.

For any given through train operating 100 miles between two points, the cost of handling two cars in that train (assuming like load and tare weight) would be the same for that 100 miles, regardless of the previous haul experienced by the respective cars. This is obviously true of two identical cars moving in the same train. The fact that one of the cars had previously moved 1000 miles and the other car had moved only 100 miles before being placed in the same train is immaterial in determining the cost of the 100 miles of through train service in which the cars are in the same train.

—3—

[fol. 329] The through train cost progression is thus independent of the total haul of a shipment. This lack of relationship between the through train cost progression and the rate scale progression which tapers for the longer hauls is to be expected in view of the fact that the rate structure is the result, not of one, but of two elements: cost of service and "value of service" (i.e. supply and demand). Once out-of-pocket costs are covered, the value of the service becomes the rate making determinant. Actually, the rate level as a matter of market necessity, can start to taper off at the very point that the cost progression starts to tilt upward.

—4—

[fol. 330]

Procedures Employed by the Cost Finding Section

The Commission organized its Cost Finding Section in 1939 and placed it under the Bureau of Statistics. The Section began an immediate study into the matter of territorial cost and the costs for specific commodities. After many months of research which included a detailed analysis of the earlier studies prepared by the Bureau of Statistics, the Federal Coordinator, the California Public Service Commission, Arthur F. White, Clarence E. Day and others, several formulas were developed for the purpose of determining both territorial costs and the cost for particular point-to-point movements.

The formula which was developed originally for the purpose of showing territorial cost is known as Rail Form A, and a comprehensive cost study based thereon was introduced in the Docket 28300 Class Rate Investigation 1939. (262 I.C.C. 337.) In this formula, the expenses are segregated between terminal and line haul, the line haul expenses being associated with trailing gross ton miles and car miles. The formula as later modified also provides for the treatment of way train expenses separately from the through train expenses. On this basis, the expenses for way train service are charged to the traffic over the distance hauled in way trains, and the through train expenses are charged on a mileage basis to the length of haul in through trains.

The Cost Finding Section, in its studies, has associated

[fol. 331] the expenses with the service units which occasion the expense. The Cost Finding Section's publication entitled, "Explanation of Rail Cost Finding Procedures and Principles Relating to the Use of Costs" contains the following statement explaining the procedure to be used in computing the costs:

> "Group together for each service the out-of-pocket expenses which can be associated with a common service unit. Thus, the expenses for maintenance of running

tracks, train crews, and train fuel are grouped together and associated with gross ton-miles. The service unit with which each item of expense is associated (gross ton-miles, car-miles, etc.) is that unit the performance of which governs or occasions the expense. It is the unit with which the out-of-pocket portion of the expense is variable." (Statement No. 4-54, page 93.)

In this manner, the cost incurred in the performance of a particular service may be properly charged to that service based on the work performed.

In Form A applied on a territorial average basis, the through train costs progress in a straight line. This straight line progression is supported both by an analysis of the expenses making up the through train line haul costs and upon special studies.

Where further refinement in cost is required, direct costs by engine district or by particular train movements can be substituted in Form A, or used in application of Rail Forms B or C. Use of such refined formulas does not assume any particular progression of through train costs but reflects the facts on cost progression as they occur on

—6—

[fol. 332] the particular traffic studied. Costs of a number of individual train movements throughout the country would show whether, on the average, through train costs did progress in a straight line or whether long haul costs decline in accordance with the rate scale taper. A large number of actual train studies were available to the Commission in the *New Automobile* case and they showed that, in fact, costs on the average progress in a generally straight line and materially above the rate scale progression at the longer hauls.

In *New Automobiles in Interstate Commerce*, 259 I.C.C. 475 (Docket 28190), costs were developed under the Cost Section's Rail Form B to show the costs of the particular trains handling the traffic. Appendix 8 of the Commission's report in the automobile case (pp. 567-573), shows the costs for 175 point-to-point movements, ranging from 18 to 3021

miles throughout the country. By plotting the relationship of these costs with distance, the Cost Finding Section found that through train costs *on the average* bear a straight line relationship with distance. In Appendix A, attached, I have plotted the fully distributed costs for the 175 point-to-point movements shown in column 7 of Appendix 8 of the report in the *New Automobile* case. In Appendix B, attached, I have plotted the out-of-pocket costs for the same 175 movements. On each chart, a straight line has been fitted to the costs, and the progression of the Appendix 18 rate scale is shown for comparison. The relationship between the cost progression, on the

—7—

[fol. 333] average, and the rate scale is fairly close at the shorter hauls, but the divergence becomes marked at the longer hauls. This is to be expected, since the progression of the rate scale is depressed for other than cost considerations, i.e., traffic considerations.

The costs shown on the graphs, being the costs of the entire movement for 175 point-to-point movements throughout the country, are naturally affected by variations in transportation conditions as between different movements and between segments of the individual movements. Nevertheless, the graphs show that, on the average, a straight line furnishes the best measure of the cost progression, and it is plain that the rate scale progression does not provide a measure of the cost progression.

In Appendix C, attached, I have prepared a graph comparing the Appendix 18 rate scale (Class 20) with a U.S. Average Form A cost scale (two terminals) based on the unit costs introduced in my Exhibit T- (GJP-2) (Appendix A, p. 1). This comparison shows the same relationship between the average cost progression and the rate progression as that shown by the extensive train studies in the *Automobile* case.

—8—

[fol. 334] *Analysis of Expenses*
Included in Line Haul Running Service Costs

Analysis of the expenses included in the line haul running service group shows the direct relationship of these expenses with distance (apart from differences in terrain and other transportation conditions which can occur at any mileage block). Included in the line haul running service group are certain well defined groups of expenses. The expenses are: (1) maintenance of running tracks excluding way train switching tracks; (2) train operating expenses including wages, fuel, lubricants, water, etc., but excluding the portion of such expenses chargeable to train switching; (3) maintenance of locomotives; and (4) the running service portion of freight train car expenses.

1. The maintenance of running tracks included in line haul running service costs consists of the maintenance of the road bed, the laying of rail and ties and the upkeep of bridges, trestles and other structures. The amount expended for the maintenance is directly related to the miles of track and the facilities it is necessary to maintain and, in addition, to the use made of the tracks and facilities by the traffic. The cost of maintaining any given mile of track is no different than the cost for maintaining any other given mile of track assuming the same conditions. To make a proper distribution of these expenses to the traffic, it is necessary to associate them with service units which reflect the relative use of the track and facilities. The service unit used to distribute these expenses is the gross ton-mile; accordingly the expenses are charged to

—9—

[fol. 335] the traffic on a mileage basis.

2. Train operating expenses include the wages of trainmen and enginemen, the cost of fuel, lubricants, engine house expenses and related items. The basis of pay for the trainmen and enginemen is generally miles run, without any differentiation being made in the basic wage scale, for example, for the first 100 and the second 100

miles. In order to make a proper distribution of these expenses, they must be associated with those units which reflect the length of haul. These expenses are distributed over the traffic using a unit which gives consideration to both the mileage operated and the weight of the car and the lading, i.e., gross ton miles.

The expenses incurred for train fuel, water, lubricants and engine house operations result from the use of the locomotive. Apart from differences in terrain and other transportation conditions, there is no difference in the relative use made of a locomotive for any given mile compared with any other given mile.

3. The maintenance of locomotives is an important part of line haul running expenses. These expenses vary with the use of the locomotive. Except for difference in terrain, train tonnage, and other conditions which can occur at any mileage block, maintenance is a function of the mileage operated by the locomotive. The operation of a 3-unit diesel locomotive over the first 100 miles of a run requires no more maintenance than its operation over the next 100 miles of similar terrain. In other words,

—10—

[fol. 336] apart from differences in transportation conditions, the repair expense is the same for each mile operated.

4. The last group of expenses included in the line haul or running service group is the running portion of freight train car expenses. These expenses are incurred in direct proportion to the mileage the cars are operated and the cost is no different for one mile than for any other mile, apart from differences in terrain that could occur in any mileage block. For this reason the service unit used to distribute these costs is the car mile.

In the earlier formulas no attempt was made to compute separately the way train and through train expenses included in the line haul group. However, it was recognized that way train expenses are of the nature of a gathering or distribution service and cannot be uniformly spread

on a mileage basis over the traffic. This raised a question in the past concerning the correctness of making a uniform mileage distribution of all line haul running expenses to compute the cost for various lengths of haul. In formulas which have been compiled in recent years this deficiency has been dealt with by the development of way train expenses separately from through train expenses. This removes any question concerning the distribution of the through train expenses on a uniform mileage basis.

—11—

[fol. 337] *Special Studies Made in Respect to Other Elements of Line-Haul Cost*

In addition to the elements analyzed above, line-haul costs include intermediate (interchange and intertrain and intratrain) switching costs distributed on a car mile basis. In earlier cost studies pre-dating the establishment of the Commission's Cost Finding Section, this treatment of intermediate switching costs as progressing uniformly with distance rested only on assumption. To test the adequacy of treating intermediate switching expenses on this basis, the Cost Finding Section made special studies covering these expenses.

As to interchange switching, the Cost Finding Section made a special study of a sample of carload waybills drawn from the Commission's 1% waybill sample maintained by the Bureau of Transport Economics and Statistics. This study showed that the number of carload interchanges was generally in close relation to the length of the haul. Furthermore, in such cases where long hauls by a single carrier reduce the number of interchanges, there would probably be an offsetting increase in intratrain and intertrain switching.

The Cost Finding Section also made studies to determine whether or not intratrain and intertrain switching expenses were variable with the length of haul; and the frequency of such expenses, i.e., the average number of miles per intertrain or intratrain switching. The first

study prepared by the Cost Finding Section showed that these handlings occurred at about 150-mile intervals and that there was a direct relationship between the miles of

—12—

[fol. 338] haul and the number of intertrain and intratrain switching services performed. This conclusion was made after an analysis of the data introduced before the Commission by the railroads in *Packing House Products from Denver and Pueblo to Arizona,* 238 I. C. C. 569 (1940); *Petroleum and Petroleum Products from California to Arizona,* 241 I.C.C. 21 (1940); and *Sugar from California to North Atlantic Ports,* FSA-18444. The results of these studies are summarized in the Cost Finding Section's study entitled, "Rail Freight Service Costs in the Various Rate Territories of the United States, Senate Document No. 63," pages 29 and 30, and Appendix E.

A second study was made by the Cost Finding Section based on data accumulated in Docket No. 28190, *New Automobiles in Interstate Commerce.* This study covered 223,364 miles of train movements on 38 railroads operating in every region of the United States. The study showed that there was a uniformity of the intratrain and intertrain switching handlings with the length of haul.

Thus, the treatment of intermediate switching expenses as directly variable with the length of haul no longer rests on assumption but is based on the facts developed by these special studies. In determining actual costs of a particular movement, interchanges and intermediate switching costs should be taken into account as they occur on that movement, and the actual intermediate switching costs so produced may either increase or decrease on a per mile basis as the haul increases. On the average however, the studies made by the Cost Finding Section show that these costs generally progress on a straight line.

—13—

[fol. 339] *Studies Made by Others*

The above discussion relates to the cost procedures employed by the Commission's Cost Finding Section, which

was established in 1939. Prior to that date, numerous cost studies had been undertaken by others. Cost finding techniques had been in a process of development long prior to 1939, and the Commission itself had made a beginning on the subject in the early 1920's when the Bureau of Statistics, under the direction of Dr. M. O. Lorenz, undertook extensive studies of rail costs. In these studies, all line haul costs, through and way combined, were uniformly spread on a mileage basis. (Statement No. 2387.)

However, these early cost studies lacked refinement and were based in large part on assumptions. It was not until the late 1930's that increased activity in the field of cost finding produced sufficient actual studies. In 1936, cost studies under the direction of Mr. Arthur White introduced the necessary separation of line-haul expenses as between way-train and through-train. On the basis of special studies, separate and higher unit costs for way train operations were developed. For a 30 ton box car, as an example, it was found that the cost per 20 mile block for the first 50 miles of service was $1.53 and for the through train service $1.02, a 50% differential. The through train costs progressed uniformly with distance, and, in this connection, the following comment was made in presenting the results of one of the studies made under Mr. White's direction:

—14—

[fol. 340] "This is in contrast with the curved line progression usually used in constructing rate scales, in which there is a diminishing charge per mile for line service as the distance increases. It is difficult to justify the degree of curvature in most rate scales on a cost basis. The cost of a given train is practically the same for each mileage block, varying only with the grade and curvature of the track and the frequency of train and engine terminals, none of which necessarily vary in proportion to distance." (Report of Federal Coordinator of Transportation, Wheat in Western Trunk Line Territory, June 1936).

In addition to the territory-wide cost studies prepared during this period, Mr. White also participated in the development of cost data in Docket 27565, *Petroleum Products from California to Arizona,* 241 I.C.C. 21 (1940), and Docket 27571, *Naval Stores from Mississippi to Gulf Ports,* 235 I.C.C. 723 (1940). Separation of way and through train costs was provided for in both studies, and through train costs, based on actual train studies, were distributed uniformly with distance.

In 1938, the California Railroad Commission published a study prepared by Dr. Ford K. Edwards, Transportation Economist, entitled "Study of Railroad Cost Finding for Rate-Making Purposes in Case No. 4402." As a result of investigations and analysis of the segregation of railroad expenses and the association of the expenses with service units, including actual train studies, through train line haul expenses were treated as directly variable with the length of haul. In connection with the California Commission study, and also the Petroleum investigation previously referred to, Professor Clarence E. Day of the Southern Pacific introduced cost studies based on actual train operations that showed through train line haul costs as varying directly with distance.

—15—

[fol. 341] *Conclusion*

The straight line progression of through train line haul costs with distance has long been assumed by those having practical knowledge of the subject.[1] As now employed by

[1] This principle was recognized by the Chicago Great Western's Witness B. F. Parsons in Docket 15234:

Q. Now, do you subscribe to the theory that ton mile earnings should decrease with distance?

A. Yes; with certain limitations.

Q. Now, if you disregard the terminal feature, do you subscribe to that principle of decreasing earnings as the distance increases?

A. No.

Q. The line haul cost, as I understand you to say, should not decrease progressively with distance.

A. My own opinion is that the line haul cost for each unit of

the Commission's Cost Finding Section, the use of the straight line progression is based on detailed analysis of the nature of railroad expense accounts, and special studies in respect to such elements as intermediate switching where analysis did not suffice. This progression has been confirmed by actual train studies, as in the study prepared for Docket 28190, *New Automobiles in Interstate Commerce.* The statement of the Commission, that the straight line

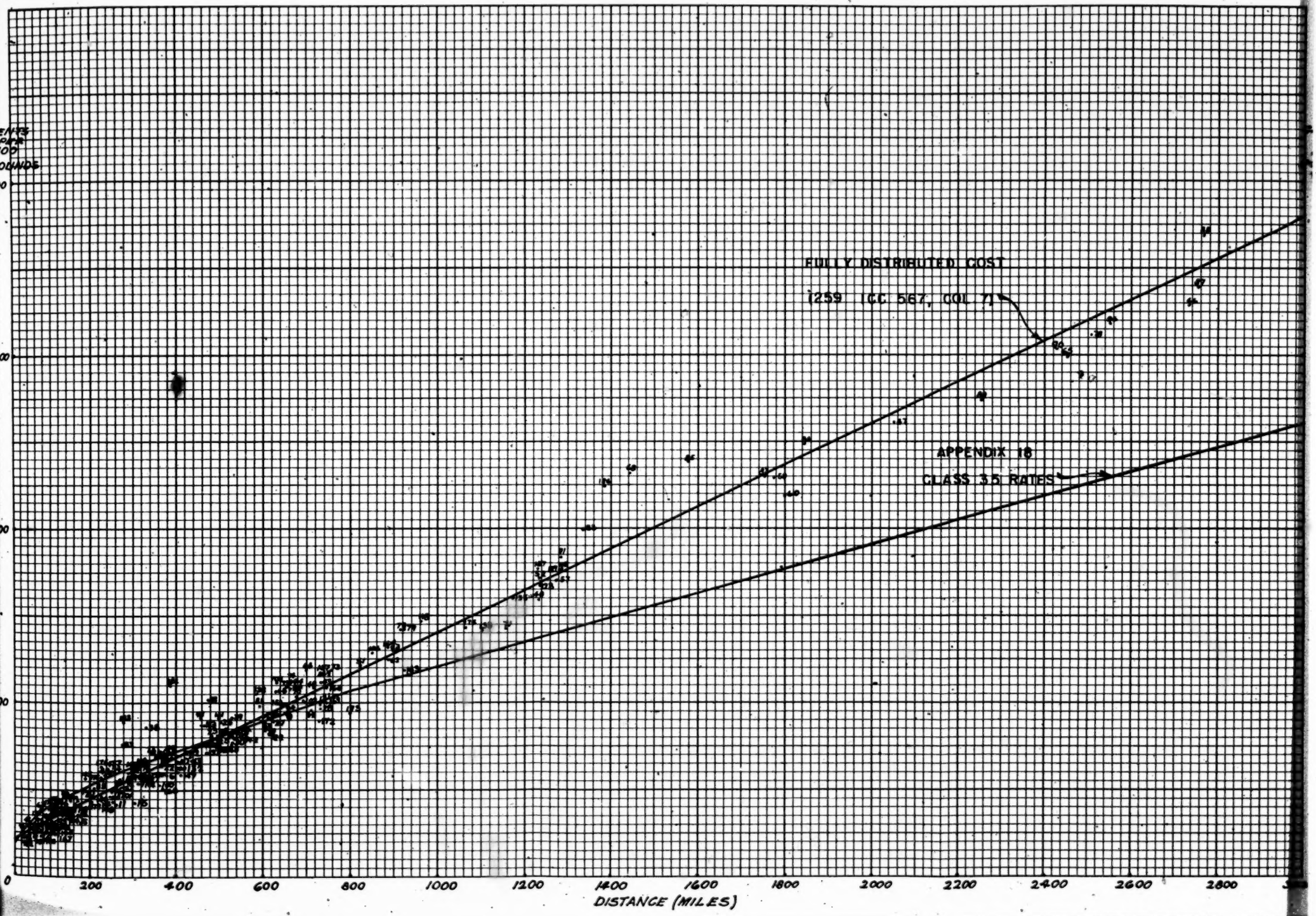
—16—

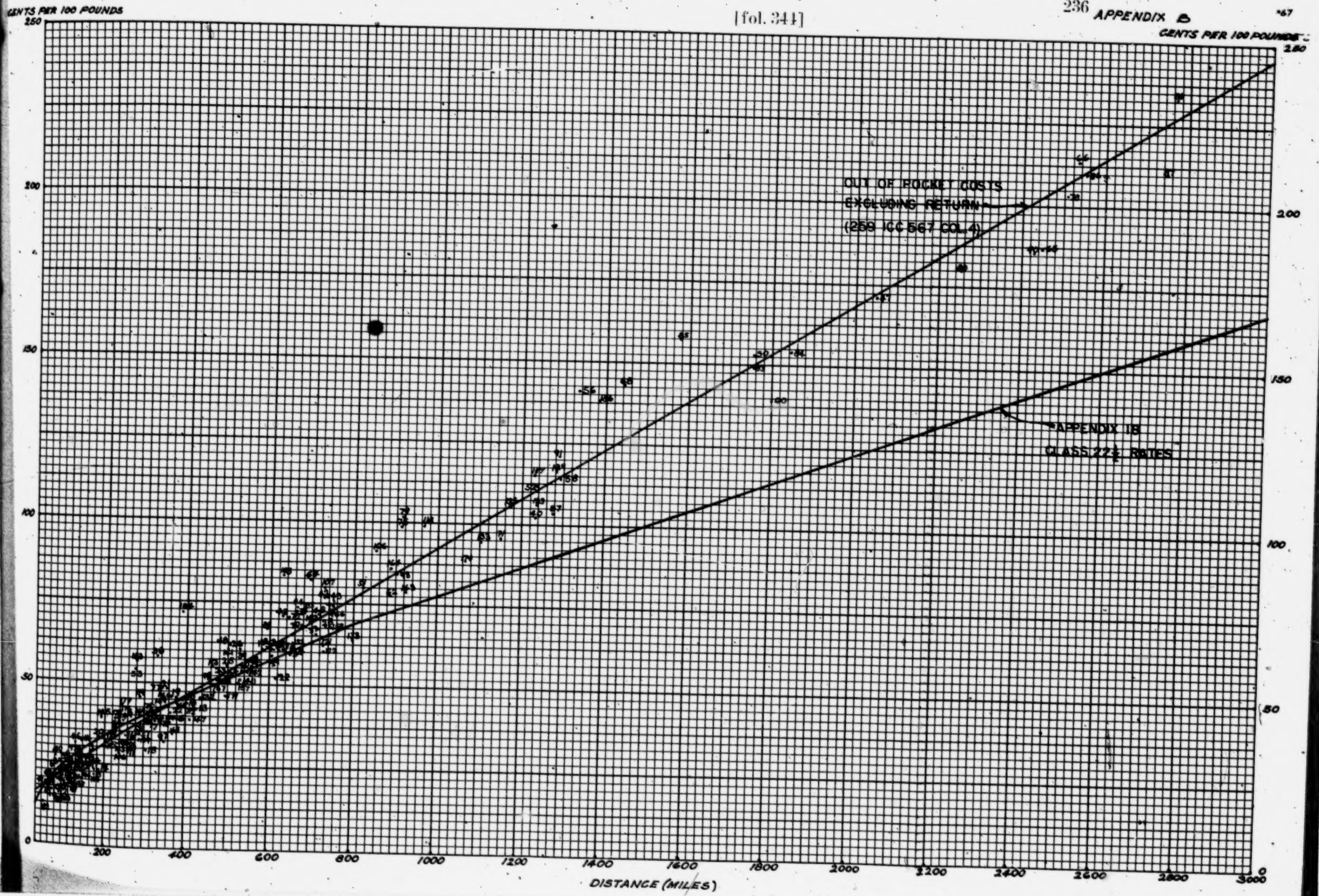
[fol. 342] progression of line haul unit costs is an unproven statistical assumption was made on the basis of records pre-dating, and without the benefit of, these advances in cost ascertainment. No such statement can properly be made now because the straight line progression of through train costs has, as pointed out above, been fully demonstrated.

—17—

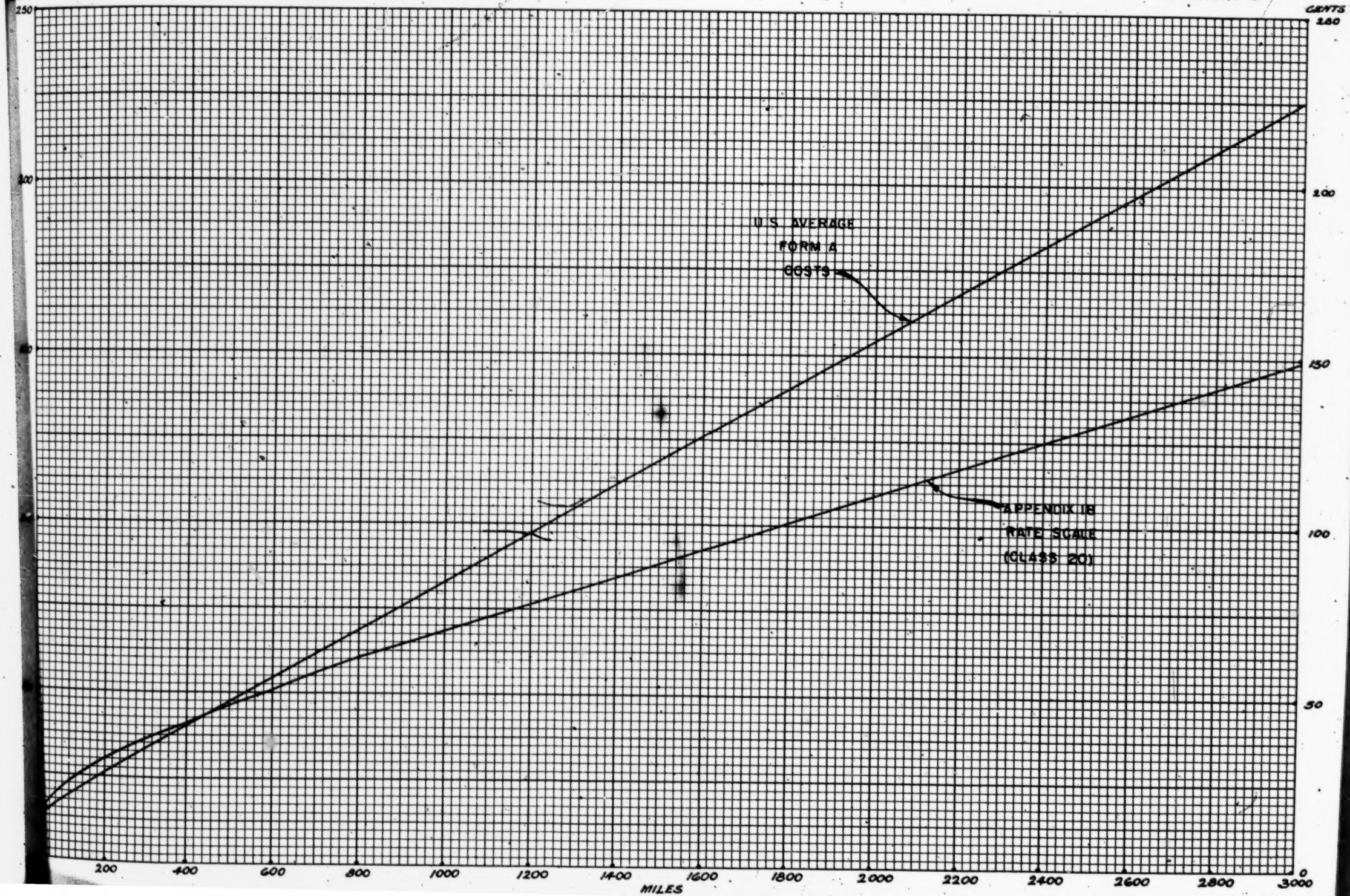
---

approximately 100 miles, which is the average, I think out of an operating division, other conditions being equal, would remain constant for every 100 miles you had. (Tr. pp. 6179-80.)


FULLY DISTRIBUTED COST
(259 ICC 567, COL 7)
APPENDIX 18
CLASS 35 RATES
0
200
400
600
800
1000
1200
1400
1600
1800
2000
2200
2400
2600
2800
DISTANCE (MILES)


CENTS PER 100 POUNDS
250
200
150
100
50
0
OUT OF POCKET COSTS
EXCLUDING RETURN
(258 ICC 567 COL. 4)
APPENDIX IIB
CLASS 22½ RATES
200
400
600
800
1000
1200
1400
1600
1800
2000
2200
2400
2600
2800
3000
DISTANCE (MILES)

[fol. 345]


CENTS
250
200
150
100
50
0
U.S. AVERAGE
FORM A
COSTS
APPENDIX 18
RATE SCALE
(CLASS 20)
200
400
600
800
1000
1200
1400
1600
1800
2000
2200
2400
2600
2800
3000
MILES

[fol. 346]

BEFORE THE
INTERSTATE COMMERCE COMMISSION

I.C.C. Docket 31503 and Sub Nos.

Exhibit T-302 (AJS-1)

Witness: A. J. Stilling

Divisional Integer Scales Based on Rate Scales, as Applied to Transcontinental Hauls

[fol. 347] My name is A. J. Stilling, Assistant Freight Traffic Manager, Union Pacific Railroad Company. I have been in freight traffic work for the Union Pacific for 39 years.

This portion of my testimony deals with scales of divisional integers and their relation to rate scales. In recent interterritorial divisions cases, the Commission has prescribed scales of integers as prorating factors to provide the mechanics for calculating percentage divisions. Although the present divisions on traffic to and from Mountain-Pacific territory were not made through the use of divisional integer scales, the Eastern and Midwestern lines have proposed the use of integer scales in dividing transcontinental rates, and have proposed the same integers as prescribed in other proceedings to apply to different traffic and different participating carriers.

We have given careful study and consideration to the application of divisional integers to the transcontinental traffic. Analysis of the problem calls for discussion under the following main headings:

1. Determination of a scale of integers which, assuming equality of transportation and revenue need conditions as between the respective groups of carriers, produces a fair distribution of revenue as between short haul, intermediate and very long haul carriers;

2. Adjustment of such equal integers to give effect to differences as between the participating groups of

[fol. 348] carriers in respect to costs, revenue needs and other factors which must be given consideration;

3. Translating the integers, as adjusted, into mileage blocks for point-to-point application or into group percents.

My testimony relates solely to the construction of a scale of integers appropriate for application to hauls of the length found in the transcontinental movement, and the problem of translating an integer scale into mileage blocks or group percents. (Points 1 and 3 above). For purpose of analysis, my testimony will assume equality of transportation and other conditions in the respective territories. Other witnesses will deal with the differences in the relative services performed on transcontinental traffic, differences in operating conditions and relative revenue needs which, in our opinion, justify and require adjustment or inflation in divisional integers for hauls in Mountain-Pacific territory.

My testimony may be summarized as follows:

The Commission is confronted here with a new problem in respect to the mechanics of constructing an integer scale. Unlike the factual situation presented in Dockets 28277 and 29886, the length of hauls of the participating carriers here concerned are greatly different on the whole body of traffic involved. This fact has a vital effect on the procedure to be followed in the determination of just and reasonable divisions.

As between two carriers operating under exactly the same conditions and with identical costs, under the integer

[fol. 349] scales prescribed in Dockets 28277 and 29886, a carrier with a haul two to four times that of its connection would receive a rate of return from the joint service of only a fraction of that of the short haul line. Because of the taper in the rate scale made necessary solely by merchandising considerations, it is inherent in the mechanics of

such an apportionment that the long haul carrier would receive substantially less than a fair return from its service on the traffic involved, and the short line connection proportionately more than a fair return.

Under these circumstances I submit that the first step toward the development of a proper integer scale on the facts relating to the transcontinental movement is to begin by assuming equality of all such factors as cost and revenue needs of the contesting roads and, on that hypothesis of parity, to construct integers which would produce equality in treatment.

Such a scale of integers may be developed from the Form A average cost scale for the United States. There is built into that scale a uniform return and, on the assumption of equal conditions, each carrier would receive the same return from the services contributed to the joint effort. This integer scale would be the datum line; the next and decisive step would be then to adjust that scale on the basis of differences which, in the Commission's judgment, call for a departure from that basis of equality.

—3—

[fol. 350]

An Integer Scale Reflecting a Proper Relationship of Line Haul to Terminal Expenses

On joint traffic, origination and termination carriers each perform one terminal service, plus line haul service, while the intermediate carriers perform only line haul service. A mileage prorate reflects only the line haul service, and several Eastern lines' witnesses objected to a mileage prorate on that ground. For example, Witness Schofield of the B&O stated:

> "Generally speaking, a mileage prorate does not fairly apportion joint revenue where the haul of each group are not approximately equal. This is because provisions must be made to cover terminal service, which is static regardless of length of haul and which

is a greater relative burden on shorter than on longer hauls." Exhibit E-9, pages 19-20.

Witness Baylis urged that the divisions should reflect "a proper relationship between line haul and terminal expenses." Exhibit E-16, page 3.

In order to provide an integer scale which reflects a proper relationship between line-haul and terminal expenses and thus fairly apportions joint revenue where the hauls of the respective groups of roads are not approximately equal, we asked Mr. Gilbert J. Parr to provide us with a scale based on railroad costs. I have taken the cost scale which Mr. Parr furnished us and set forth the costs in the same mileage blocks as used in the Appendix 18 class rate scale. This cost scale, reproduced as Appendix A attached, is based on United States average way and through train costs presented in Mr. Parr's Exhibit T- (GJP-2),

—4—

[fol. 351] Appendix A, page 1. My Appendix A sets forth the cost scale in three forms: (1) line haul costs with two terminals (and 42 miles of way train service), which would apply to the entire service as does a rate scale; (2) line haul costs with one terminal (and 21 miles of way train service), which would apply to the service of an origin or destination line on joint traffic; and (3) line haul costs with no terminals (and no way train service), which would apply to the service of an intermediate line on joint traffic. The latter two scales are appropriate for use as integer scales (assuming no differences in territorial conditions) under the standards set forth by the Eastern witnesses, as quoted above. Because of the influence of terminal costs, the cost scale reflects a declining cost per ton-mile as distance increases. Using the scale for line haul with two terminals, the cost scale figure at 100 miles is 19.2 cents per 100 pounds, and the figure at 3000 miles is 225.2 cents. On a per mile basis, the figure at 100 miles is 0.192 cents per mile while the figure at 3000 miles is 0.075 cents per mile, or only 39% as much per mile as the figure at 100

miles. This decline in the cost per 100 weight miles occasioned by the spreading of terminal elements over greater distance, is the relationship between long hauls and short hauls which reflects the "proper relationship between line haul and terminal expenses" sought by Witness Baylis and the other Eastern witnesses.

—5—

[fol. 352]

The Integer Scales Proposed by the East and Midwest

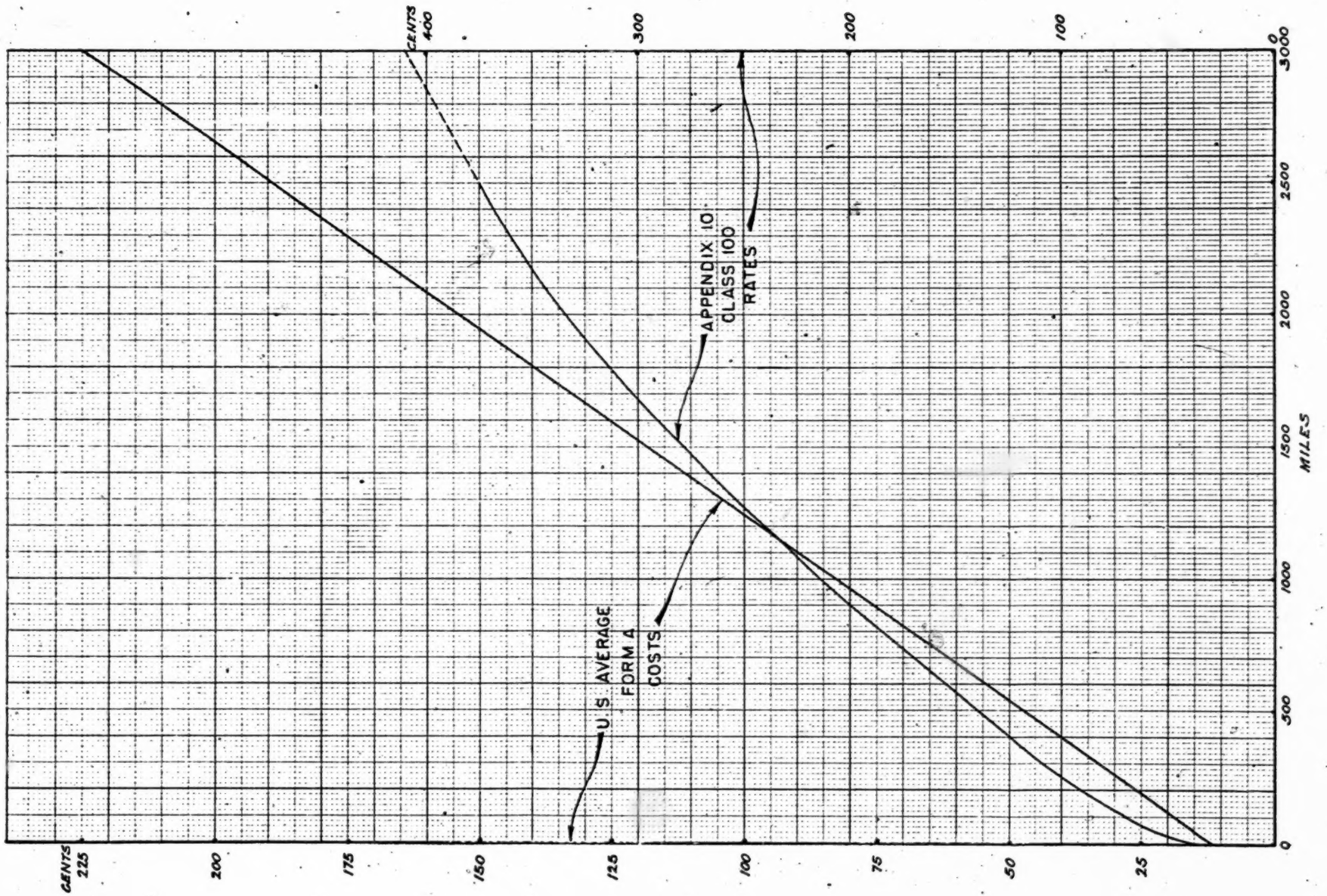
The scales of integers which the Eastern and Midwestern lines have proposed for application to the transcontinental hauls differ substantially from cost scales. Both groups of lines propose use of the Docket 28277 scale of integers. The East also proposes use of the Docket 29886 integers, with the Eastern factor increased 20%.

The scale of integers prescribed in Docket 28277 for a maximum haul of 1200 miles, extended by Witness L. E. Butler to 3000 miles, follows exactly the progression of the class rate scale prescribed in Docket 28300 as Appendix 10 (262 ICC 447, 766), the deduction of a constant 18 integers from the Class 100 rate being the only difference between the two scales.

My testimony will deal with the factors affecting the construction of rate scales. It will be shown that the marked depression in the progression of rate scales as compared with cost scales is required to move the traffic long distances. This depression in the rate is made to move traffic for the benefit of all participating carriers. Where differences in relative hauls are extreme, as in the case of transcontinental traffic, use of a rate scale to divide the joint revenue imposes on the long haul carrier all of the depression in the rates which attracted the traffic. For this reason, the use of rate scales as the basis of divisional integers, when applied to the transcontinental hauls, is unfair to the long haul carriers.

—6—

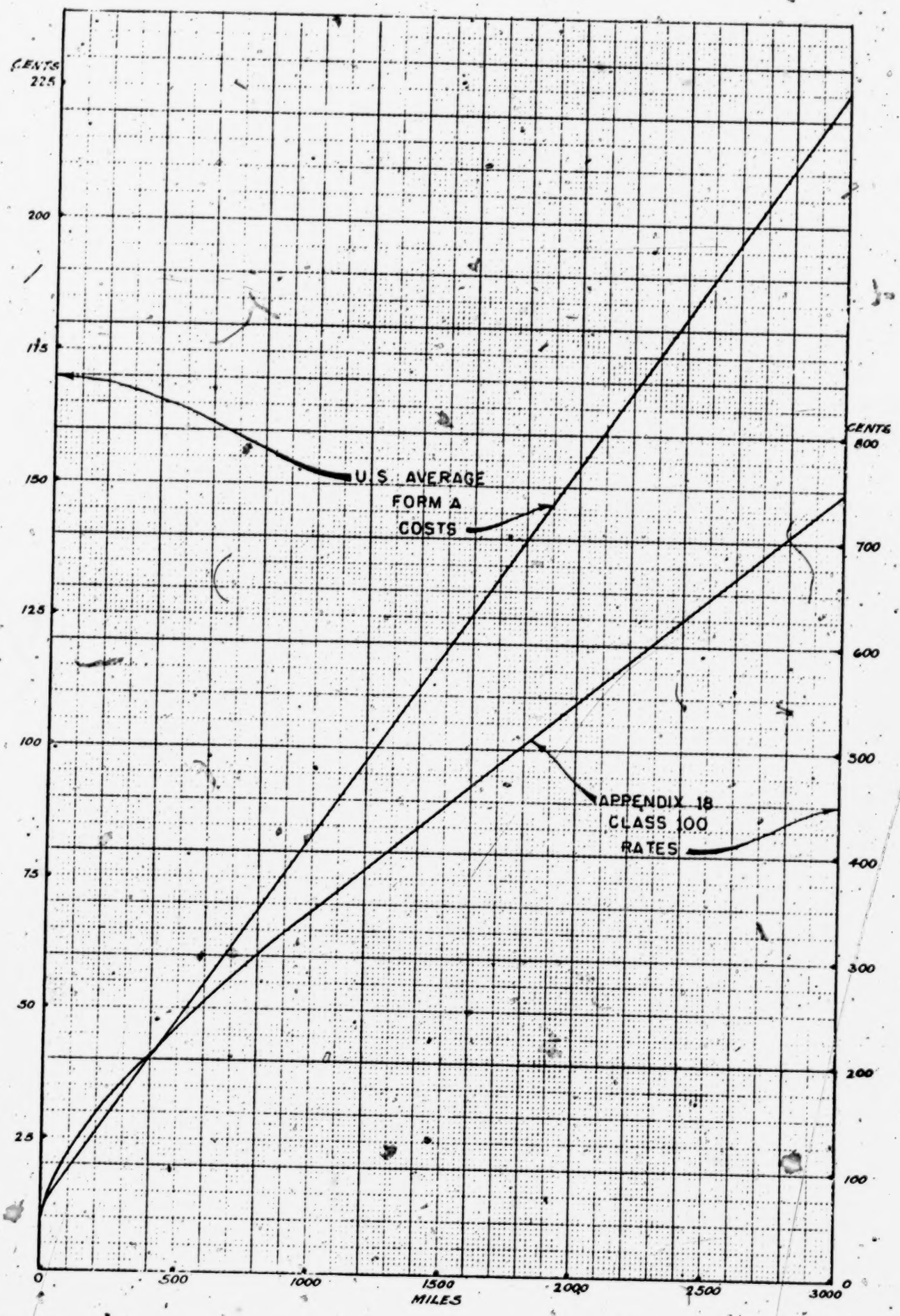
[fol. 353]


CENTS
400
300
200
100
0
3000
2500
2000
1500
1000
500
0
MILES
APPENDIX 10
CLASS 100
RATES
U.S. AVERAGE
FORM A
COSTS
CENTS
225
200
175
150
125
100
75
50
25

[fol. 354] For convenience, I have incorporated in Appendix B, attached, the Appendix 10 and Appendix 18 rate scales. Appendix C, attached, compares the rates of progression, in terms of the increase in the rate with each 100 miles of distance, for each of these rate scales. The rate of progression of the Docket 28277 integer scale is, of course, the same as that of the Appendix 10 scale.

The Contrast Between Rate Scales and Cost Scales

One striking feature of rate scales, including class rate scales, is that the progression of the rates with distance departs substantially from the progression of rail costs, particularly at the longer hauls. To illustrate this, the graph on the opposite page compares the progression of the Appendix 10 rate scale with the progression of the rail costs (line haul with two terminals). A very marked depression in the long haul rates below cost progression is plainly shown. This is the same relationship between the Docket 28277 integer scale and line haul costs with one terminal, since the progression of the Docket 28277 integer follows exactly the Appendix 10 class rate scale.



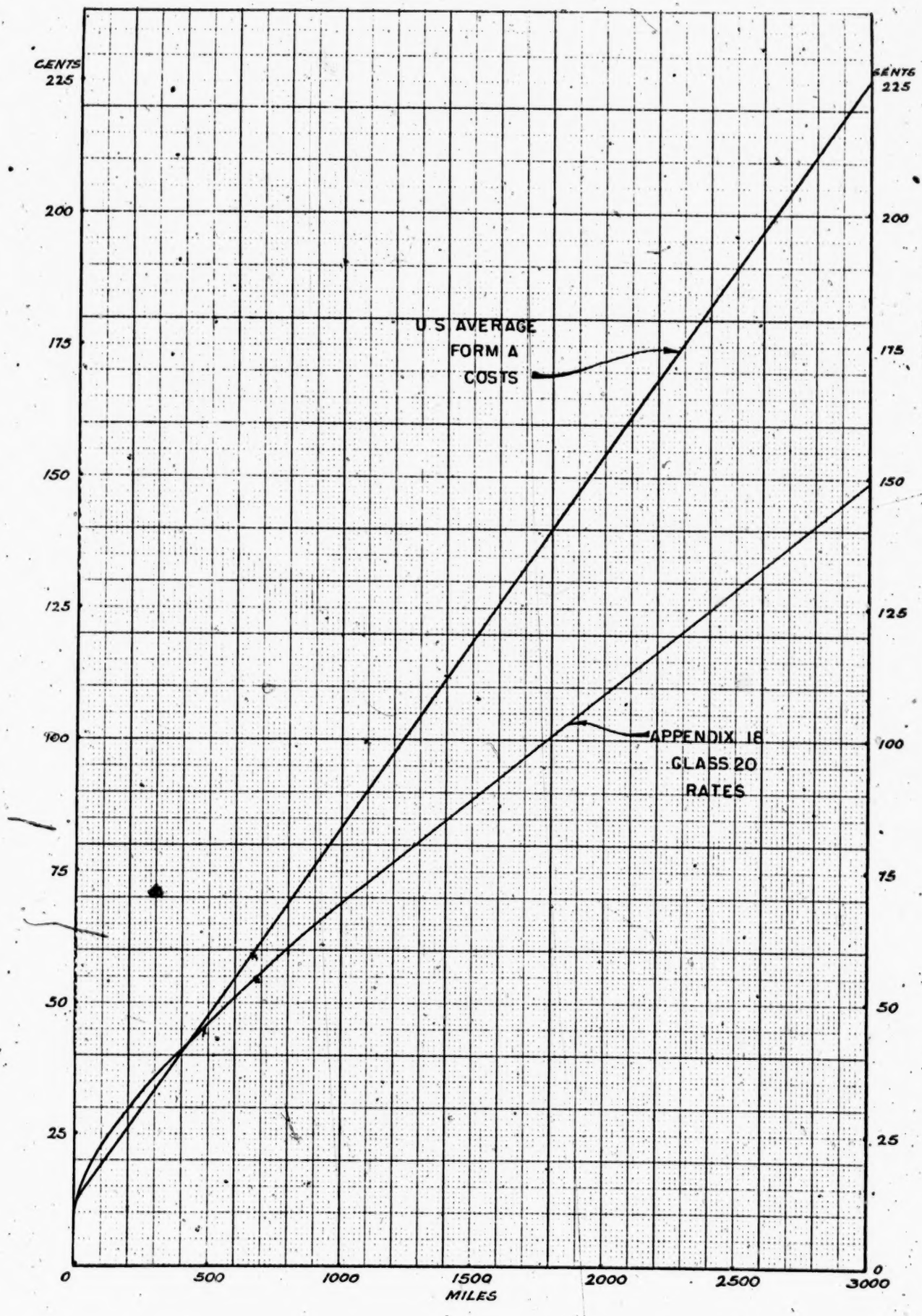
Appropriate statements of the method of detail is the income per

[fol. 356] The progression of the Appendix 18 rate scale is compared with the progression of costs on the opposite page. Again the difference between the progression of the rate scale and the cost scale is very marked.

On both of these graphs, I have used one scale for the Class 100 rates and another for the cost scale. This is necessary because the costs are average costs and the Class 100 rate scale applies only to a very small portion of rail traffic. A more realistic comparison is based on Class 20 of the Appendix 18 scale, since Class 20 is much closer to the level of rates at which rail traffic actually moves. Appendix D, attached, shows the Class 20 rates under Appendix 18. The Class 20 Appendix 18 rates and average costs compare as follows (in costs per 100 pounds):

(1)	(2)	(3)	(4)
Miles	Appendix 18 Class 20	Average Costs (2 Terminals)	Ratio of Rate to Cost (2) ÷ (3)
5	12	11.9	101
100	23	19.2	120
200	30	26.3	114
300	36	33.4	108
400	41	40.5	101
420	42	41.9	100
500	46	47.6	97
600	51	54.7	93
1000	69	83.1	83
2000	109	154.2	71
3000	149	225.2	66

Sources: Column 2—Appendix D, Column 3—Appendix A


CENTS
225
200
175
150
125
100
75
50
25
0
500
1000
1500
2000
2500
3000
MILES
U.S AVERAGE
FORM A
COSTS
APPENDIX 18
CLASS 20
RATES

[ful. 357]

[fol. 358] The graph on the opposite page (now p. 247) shows the relationship of the Appendix 18 Class 20 rates and the cost scale. It should be noted that the average costs are somewhat higher than the Class 20 rate near the terminals, but that the rates exceed the costs through the 400 mile block. At 500-600 miles, the costs and Class 20 rate are very close together. The average hauls of traffic within the Midwest and East range from 200 to 350 miles on intra-territorial traffic, as shown by the Commission's 1% waybill analysis (Carload Waybill Statistics, 1953, Statement TD-1). The average haul of the Midwestern and Eastern groups of roads on the transcontinental traffic is about 600 miles. In other words, there is a close relationship between average cost and the Class 20 rate in the Appendix 18 rate scale at the average total hauls of the Midwestern and Eastern roads on their average traffic as well as on their portion of the haul of the transcontinental traffic.

However, at the average haul of transcontinental traffic, and the average haul of the Western or transcontinental roads in handling that traffic, the Appendix 18 rates fall far below the cost relationship.

The construction of the Appendix 10 and Appendix 18 rate scales differ in that the Appendix 18 scale has a uniform or straight-line progression for distance over 800 miles while the Appendix 10 scale has a steadily declining rate of progression. However, despite the straight-line

—9—

[fol. 359] progression of the Appendix 18 scale above 800 miles, the slope of this straight line is such, in relation to the rates for the shorter hauls, that the taper in the Appendix 18 scale is *more* adverse to the long haul carrier than the taper in the Appendix 10 scale for the distances here involved. This relationship, which is perhaps not generally recognized, is demonstrated by the tables contained in my Appendix E, attached.

—10—

[fol. 360]

Traffic Reasons which Justify and Require the Taper or Depression in Long Haul Rates

The marked disparity between the progression of rates and Form A costs at the longer distances in the rate scale is not the result of differences in the costs of long-haul service. I am not a cost expert but, on the basis of my experience as a traffic officer, I can testify from long observation that the factors which depress the long haul rates are based on traffic, not cost, considerations.

The traffic man's interest is in rates which will attract business to the railroads. So long as the rates are compensatory, and make some contribution to overhead, traffic considerations have a wide range and rates are established at a level needed to secure traffic. The margin of return at which traffic can be attracted depends upon many factors, including transportation competition, market competition and the volume of the rate in relation to the value of the commodity. These traffic considerations reflect themselves in point-to-point rates and in rate scales when the rates are published in that form.

Class rates, like other forms of rates, are depressed at the longer hauls to move traffic over such distances. While class rates apply to many different commodities and are not designed to reflect special market or transportation competitive circumstances relating to individual commodities, the rates of progression of class rate scales are materially depressed by the effect of distance alone on the rate needed to move the traffic.

—11—

[fol. 361] The depressing effect of distance alone on the progression of rate scales may be referred to as a value of service consideration, or a market competitive factor inherent in long haul traffic.* One of the earliest texts,

* An illustration of the relationship of long and short haul rates to the value of the service may be shown for a commodity with a value of $10 per 100 lbs. Assuming this commodity moves 300 miles

Lardner, "Railway Economy" (1850), described the effect of distance on rates as follows:

> "The distance to which any class of merchandise admits of being transported, will depend on the charge which such object will bear in the market, in addition to its cost of production. This is a limit which can not be surpassed, and this limit, combined with the rate per mile charged for the transport, will determine the radius which limits the market of the producer." (p. 257)

—12—

[fol. 362] Professor Locklin, who was a witness for the Eastern lines in Docket 31711, summarized the factors affecting the progression of class rate scales in his text "Economics of Transportation" (1947), pages 179-180:

> "There are several reasons for not making freight rates increase in exact proportion to distance. In the first place, terminal costs are the same regardless of the length of the haul. The longer the haul, the greater the distance over which the terminal cost can be spread. . . .
>
> "A second reason for the lower rates per ton-mile for longer hauls is that even the line-haul or convey-

---

on Class 20 rates, the Appendix 18 rate on this commodity would be 36 cents. This rate is 3.6% of the value of the commodity.

A cost relationship, if used to determine the rate for a 2500 mile haul, would produce a rate 5.68 times the rate at 300 miles. (Ratio of costs, including two terminals, at 2500 miles (189.7¢) to cost at 300 miles (33.4¢) as shown in my Appendix A). 5.68 times the 36¢ rate at 300 miles would produce a rate of $2.04 for 2500 miles. This rate of $2.04 would be approximately 20% of the value of the commodity.

The Appendix 18 Class 20 rate for 2500 miles is $1.29, which is about 13% of the value of the commodity. This very substantial reduction in the long haul rate below the cost progression measures the depressing effect of traffic considerations, including value of service, reflected in the progression of the Appendix 18 class rate scale.

ance cost is considered to be relatively lower for the longer hauls. This point was discussed by the Commission in the *Southern Class-Rate Investigation.* The Commission found that short-haul traffic, particularly that which moved 75 miles or less, was moved in local or 'way' freight trains. For longer distances, through freight trains may be used which make fewer stops and operate more efficiently. For distance in excess of 150 miles through freight, was the general rule, so that on shipments moving long distances the proportion of the haul in expensive way freights was relatively small. . . .

"A third reason for the use of the tapering principle is to prevent the rates from restricting the movement of long-distance traffic. . . . If rates increased in proportion to distance, they would soon become so high as to prevent the movement of traffic. It is in accordance with the value-of-service principle of rate making to keep long distance rates low enough to enable the traffic to move."

In prescribing distance scales, including class rate scales, the Commission has repeatedly stated that traffic, not cost, considerations govern the progression of the rate scale at the longer hauls. In Docket 17000, part 2, *Western-Trunk Line Class Rates,* 164 I.C.C. 1, 191, the Commission discussed the construction of class rate scales, stating:

—13—

[fol. 363] "It might be feasible to reflect costs more accurately in a scale with a constant rate of progression, if costs on class-rate traffic were ascertainable with a fair degree of accuracy. . . . One likely effect of a scale of this character would be to discourage the movement by rail of much class-rate traffic; in contravention of that clause of the Hoch-Smith resolution which specifically provides that freight rates shall be so adjusted that the traffic may move freely.

"The customary plan for constructing rate scales appears on the whole to have served well the needs of

the country's commerce. It is grounded upon well recognized principles of rate making."

Construction of distance scales was again discussed in *Livestock-Western District Rates,* 176 I.C.C. 1, 68, with particular reference to the longer hauls. The carriers had introduced cost evidence and compared the progression of costs with the progression of the rates above 500 miles. The Commission rejected the comparison for traffic reasons alone:

"The uniform progression theory would result in rates for the longer distances on many if not most commodities far beyond what the traffic can bear and continue to move, thus restricting the movement and resulting in defeating the purpose of the law, which is that the rate structures shall be such that traffic may freely move to the extent that it may do so under reasonable rates."

Commissioner Eastman, addressing himself to the very long haul transcontinental rates, stated this principle in the following terms:

"(I)n this country the freight-rate structure is built to an extent upon the principle of encouraging long-haul traffic without strict regard to differences in cost of service. *I think it must be conceded that most of*

—14—

[fol. 364] *the scales which we construct have a diminishing ton-mile yield as distance increases which is out of proportion to the diminishing ton-mile cost.* Certainly this is true of practically all of the long-haul rates which the carriers voluntarily establish. Proof can easily be supplied by comparing the divisions of transcontinental rates on important commodities with the local rates for the same hauls. It is thus a principle either consciously or unconsciously recognized that the public interest requires some concession in rates to long-haul traffic. No doubt this is often carried

too far, but within reason I am inclined to think that the principle is sound." (emphasis supplied)

In the Matter of Rates on Wool and Mohair from Pacific Coast and Intermediate Territory to Various points, 120 I.C.C. 493, 509

In Docket 28300, the Commission made a study of the distance rate scales which it had prescribed. The results of that study were described in the report:

"A comparative study and analysis of the construction of various class rate scales prescribed by us shows that usually they were of a pattern in which the greatest rate of progression was in the first miles. The purpose was to reflect the relatively expensive service furnished by way-freight trains. Beyond 75 miles the progression was at a more moderate rate to reflect the relatively lower cost of through freight service. *In the longer reaches of the scales there was a still lower rate of progression for the purpose of permitting traffic to move long distances.*" 262 I.C.C. at page 642 (emphasis supplied)

The Appendix 10 rate scale, prescribed in the same report, and the Appendix 18 rate scale prescribed in the Third Supplemental Report (281 I.C.C. 213, 328), both conform to this pattern. As shown in my Appendix C, the progression of each of these scales is the greatest in the first 100 miles, somewhat lower for 100 to 300 miles and then

—15—

[fol. 365] tapering to a lower and lower progression at the longer hauls. The only difference between the two scales is that the Appendix 18 taper levels off to a straight line progression above 800 miles while the progression of the Appendix 10 scale continues to decline. However, as shown in my Appendix E, the taper of the Appendix 18 scale at the long hauls relative to the short hauls here involved is greater in degree than the taper of the Appendix 10 scale.

That this taper in the Docket 28300 scale at the longer hauls is based on traffic considerations, and not upon a rejection of its Cost Section's cost evidence in the record before it, is further shown by this statement of the Commission in the concluding portion of its report in Docket 28300:

> "Discretion and flexibility of judgment within reasonable limits have always attended the use of costs in the making of rates. Costs alone do not determine the maximum limits of rates. *Neither do they control the contours of rate scales* or fix the relations between rates or between rate scales. Other factors along with costs must be considered and given due weight in these aspects of rate making." (262 I.C.C. at page 693) (emphasis supplied)

Experience has shown that progression of rates consistent with the progression of costs would restrict the free movement of traffic for the longer hauls. A taper or depression in the long hauls of class rates and other scales below the rates produced by the cost progression is thus compelled by commercial or traffic considerations which have nothing whatever to do with the contributions of the participating carriers to the joint service.

The degree to which long haul class rates should be tapered or depressed below the cost progression is a ques-

[fol. 366] tion of traffic judgment. In our judgment, the taper which the Commission made in the Appendix 18 scale was unnecessarily severe. Long haul traffic is freely moving within the 28300 area on exceptions and commodity rates higher than the Appendix 18 class rates, a fact which itself demonstrates that the Appendix 18 rates are depressed below the progression necessary to move the traffic. I mention the undue depression or taper of the Appendix 18 scale only to illustrate, and to emphasize, the nature of the traffic considerations that enter into the construction of any rate scale, whether it be the Appendix 10, Appendix 18 class rate

scale, or the newly prescribed scale for application within Mountain-Pacific territory. The important point here is that the progression of class rate scales is depressed at the longer hauls solely for traffic reasons, not cost reasons. These traffic considerations, essential to the movement of traffic, have no bearing on the determination of fair and equitable divisions of the traffic moving on such rates.

The depression in the long-haul rate is made to move the traffic for the common benefit of all of the participating carriers. It is an inducement which is necessary to get the business in the interest of the joint enterprise. Where the difference in the respective hauls is extreme, as it is in the case of transcontinental traffic, it would be unfair to the long haul carrier to determine its division of the joint rate by use of a rate scale which reflects the depression in long haul rates required to move the traffic, because this would impose upon the long haul carrier the entire

—17—

[fol. 367] burden of the depression in the rate which attracted the traffic. All of the participating carriers, not the long haul carrier alone, should share the burden of the inducement, or the depression below the cost progression, which produced the traffic. If anything, the short haul carrier should be expected to bear a greater proportion of the burden of the depression where a lesser proportion of the short haul carrier's business is dependent upon the depressed long haul rates.

Use of a rate scale for divisional integers is proposed by the Eastern and Midwestern lines because it would have this effect of imposing on the long haul transcontinental lines the burden of the depression in the rates made to attract the traffic.

I submit instead that to make the divisions just and equitable they should be so constructed that, as nearly as possible, each participating road bears its proper proportion of the inducement necessary to move the traffic, and that this is done if the integers reflect the cost scale progression so that each carrier receives approximately the

same percentage of profit or rate of return from the joint service. A uniform rate of return is built into the cost scales and any departure from the cost progression not justified by differences in conditions inflates the return of one of the participating roads and correspondingly shrinks that of the other.

Since the cost scales produce a uniform rate of return on the assumption of equality of conditions as between

—18—

[fol. 368] the participating roads, any departure from the cost scale should be based on evidence of differences in costs or differences in revenue need justifying inflation or deflation of the cost scales as applied to any particular group of carriers. The measurement and application of the inflation or deflation justified by differences in conditions should not be distorted by the contour of a rate scale progression which has no relevance to the revenue position, handling or costs of the respective groups.

Translating Divisional Integers into Percentage Divisions

As previously stated, the proper creation of integers separates logically into three stages: (1) Constructing a scale which, assuming equality of conditions, produces a fair relationship as between long haul, short haul and bridge carriers; (2) Adjusting such equal integers to give effect to differences in conditions; and (3) translating the adjusted integers into group or point-to-point percentage divisions.

My testimony to this point has dealt with Point (1), the construction of equal integers. Other testimony will deal with Point (2), showing the controlling differences in conditions as between the participating groups.

The third problem is that of converting the divisional integers into divisional percentages which can be applied

—19—

[fol. 369] by the freight accounting department in settling the joint revenue. Divisions sheets as applied by the accounting departments are, generally speaking, in two

forms: (1) showing percents for point-to-point application in conjunction with the mileages to and from the gateways; and (2) showing percents for all points in a defined geographical group of stations. The present transcontinental divisions are now published as group percents.

As a matter of form and convenience, and to meet the practicalities of railroad competition through gateway equalization, our lines favor retention of the group basis of publishing and calculating divisions. We understand that the Midwestern lines agree with this position on the form of future divisions in view of Witness Mintz' proposal that the carriers be free to equalize divisions and establish groupings. (Exhibit MW-139, pages 22-23)

If divisional integers are applied on a point-to-point basis, as they were in Dockets 28277 and 29885-6, the integer scales are published in mileage block form. The size of the mileage block, and the relation of the scale to the mileage block, was not an issue in prior proceedings, as such features are of little importance where the hauls of the carriers are not substantially different. As applied to the transcontinental hauls, however, the use of mileage blocks is important under any scale of divisional integers.

The Docket 28277 and Dockets 29885-6 integers are prescribed in the form of 50 mile blocks, using the value of the scale at the upper end of the block as the integer for the

—20—

[fol. 370] entire block. In other words, the integer at 100 miles applies to all shipments moving from 51 through 100 miles. The Docket 28277 and Docket 29886 scales as prescribed did not extend to the longer hauls, but Witnesses Butler and Mintz have used the same uniform 50 mile blocks in their extended scales. (Exhibit E-56) This use of 50 mile blocks throughout the scale differs from the Appendix 10, Appendix 18 and other rate scales where 5 mile blocks are used at the shorter hauls and then 10 mile and 25 mile blocks used at intermediate hauls with 50 mile blocks coming into use only at hauls exceeding 2200 miles.

Where differences in hauls are extreme, as they are in the transcontinental movement, the use of the scale at

the high end for the entire 50 mile block gives a substantial, and unjustified, extra advantage to the short haul carrier. This is true whether the integers are based on cost scales or rate scales. The reason for this advantage to the short haul carrier from this use of mileage blocks is that the average traffic falls at the midpoint of each mileage block but the integer scale, as applied at the upper end of the mileage block, gives an extra 25 miles to each carrier. If one carrier spreads that extra 25 mile allowance over a much shorter haul, that short haul carrier materially improves his percentage of the total revenue relative to the long haul carrier. In Appendix F, attached, I have prepared examples showing the marked effect of the use of the integer scale at the upper end of the mileage block where differences in length of haul are extreme.

—21—

[fol. 371] The sole function of mileage blocks is for convenience—saving space in printing and applying rate scales and division sheets. The use of mileage blocks should not produce results which differ materially, on the average, from those resulting from the use of the exact rate or integer for the particular mileage.

In Appendix G, attached, I have prepared an integer scale in mileage block form which eliminates both the distorting effect of the rate scale progression, as previously discussed, and the further distorting effect of the application of an integer scale to the upper end of the mileage block. This scale has been constructed as follows:

1. U.S. Average costs, from Witness Parr's Exhibit T- (GJP-2), are used to determine the integers. Column 1, for origin or destination carriers, includes one terminal, 21 short line miles of way train service, and the balance is through service. Column 2 for intermediate hauls is based on through train service.

2. The integers are stated in 50 mile blocks, using the cost scale at the mid-point of the blocks to determine the integer for the entire block.

3. The column 1 scale extends for 2750 miles and the column 2 scale extends from 100 to 1850 miles, these being the limits of the hauls in the transcontinental movement.

4. The costs have been rounded to eliminate decimals and produce integers, literally.

Assuming equality of transportation and other conditions, divisions based on such an integer scale would produce the same rate of return for the short haul, intermediate and long haul carriers.

In presenting this equal, unadjusted, integer scale, it

—22—

[fol. 372] should again be emphasized that the scale cannot properly be used as the ultimate basis for the transcontinental rates; but it does provide a fair starting point, or datum line from which departure must be made in light of the differences in the amount and cost of service and differences in revenue needs as between the respective groups of carriers in handling this transcontinental traffic. The departure from this basis cannot fairly be measured by the merchandising characteristics of the rate scale progression which have nothing to do with the relative contributions of the parties to the joint service.

—23—

[fol. 373]

APPENDIX A

UNITED STATES FULLY DISTRIBUTED COSTS
(IN CENTS PER 100 POUNDS)

Short Line Miles	No Terminals; No Way Train; All Through Trains	One Terminal; 21 Miles Way Train; Balance Through Train	Two Terminals; 42 Miles Way Train; Balance Through Train
0	0.0	5.7	11.4
5	0.4	6.2	11.9
10	0.7	6.6	12.3
15	1.1	7.0	12.7
20	1.4	7.4	13.2
25	1.8	7.8	13.6
30	2.1	8.2	14.0
35	2.5	8.5	14.4
40	2.8	8.9	14.9
45	3.2	9.2	15.3
50	3.6	9.6	15.6
55	3.9	9.9	16.0
60	4.3	10.3	16.3
65	4.6	10.7	16.7
70	5.0	11.0	17.0
75	5.3	11.4	17.4
80	5.7	11.7	17.7
85	6.0	12.1	18.1
90	6.4	12.4	18.5
95	6.8	12.8	18.8
100	7.1	13.1	19.2
110	7.8	13.8	19.9
120	8.5	14.6	20.6
130	9.2	15.3	21.3
140	9.9	16.0	22.0
150	10.7	16.7	22.7
160	11.4	17.4	23.4
170	12.1	18.1	24.1
180	12.8	18.8	24.9
190	13.5	19.5	25.6
200	14.2	20.2	26.3
210	14.9	21.0	27.0
220	15.6	21.7	27.7
230	16.3	22.4	28.4
240	17.1	23.1	29.1
260	18.5	24.5	30.5
280	19.9	25.9	32.0
300	21.3	27.3	33.4
320	22.7	28.8	34.8

Appendix A Continued

Short Line Miles	No Terminals; No Way Train; All Through Trains	One Terminal; 21 Miles Way Train; Balance Through Train	Two Terminals; 42 Miles Way Train; Balance Through Train
340	24.2	30.2	36.2
360	25.6	31.6	37.6
380	27.0	33.0	39.1
400	28.4	34.5	40.5
420	29.8	35.9	41.9
440	31.3	37.3	43.3
460	32.7	38.7	44.8
480	34.1	40.1	46.2
500	35.5	41.6	47.6
520	37.0	43.0	49.0
540	38.4	44.4	50.4
560	39.8	45.8	51.9
580	41.2	47.2	53.3
600	42.6	48.7	54.7
620	44.1	50.1	56.1
640	45.5	51.5	57.5
660	46.9	52.9	59.0
680	48.3	54.4	60.4
700	49.7	55.8	61.8
720	51.2	57.2	63.2
740	52.6	58.6	64.6
760	54.0	60.0	66.1
780	55.4	61.5	67.5
800	56.8	62.9	68.9
825	58.6	64.7	70.7
850	60.4	66.4	72.5
875	62.2	68.2	74.2
900	64.0	70.0	76.0
925	65.7	71.8	77.8
950	67.5	73.5	79.6
975	69.3	75.3	81.3
1000	71.1	77.1	83.1
1025	72.8	78.9	84.9
1050	74.6	80.6	86.7
1075	76.4	82.4	88.5
1100	78.2	84.2	90.2
1125	79.9	86.0	92.0
1150	81.7	87.8	93.8
1175	83.5	89.5	95.6
1200	85.3	91.3	97.3
1225	87.0	93.1	99.1
1250	88.8	94.9	100.9
1275	90.6	96.6	102.7
1300	92.4	98.4	104.4
1325	94.2	100.2	106.2
1350	95.9	102.0	108.0
1375	97.7	103.7	109.8

[fol. 375]

Appendix A Continued

Short Line Miles	No Terminals; No Way Train; All Through Trains	One Terminal; 21 Miles Way Train; Balance Through Train	Two Terminals; 42 Miles Way Train; Balance Through Train
1400	99.5	105.5	111.5
1425	101.3	107.3	113.3
1450	103.0	109.1	115.1
1475	104.8	110.8	116.9
1500	106.6	112.6	118.7
1525	108.4	114.4	120.4
1550	110.1	116.2	122.2
1575	111.9	118.0	124.0
1600	113.7	119.7	125.8
1625	115.5	121.5	127.5
1650	117.2	123.3	129.3
1675	119.0	125.1	131.1
1700	120.8	126.8	132.9
1725	122.6	128.6	134.6
1750	124.4	130.4	136.4
1775	126.1	132.2	138.2
1800	127.9	133.9	140.0
1825	129.7	135.7	141.7
1850	131.5	137.5	143.5
1875	133.2	139.3	145.3
1900	135.0	141.0	147.1
1925	136.8	142.8	148.9
1950	138.6	144.6	150.6
1975	140.3	146.4	152.4
2000	142.1	148.2	154.2
2025	143.9	149.9	156.0
2050	145.7	151.7	157.7
2075	147.4	153.5	159.5
2100	149.2	155.3	161.3
2125	151.0	157.0	163.1
2150	152.8	158.8	164.8
2175	154.6	160.6	166.6
2200	156.3	162.4	168.4
2250	159.9	165.9	171.9
2300	163.4	169.5	175.5
2350	167.0	173.0	179.1
2400	170.5	176.6	182.6
2450	174.1	180.1	186.2
2500	177.7	183.7	189.7
2550	181.2	187.2	193.3
2600	184.8	190.8	196.8
2650	188.3	194.3	200.4
2700	191.9	197.9	203.9
2750	195.4	201.4	207.5
2800	199.0	205.0	211.0
2850	202.5	208.6	214.6
2900	206.1	212.1	218.1
2950	209.6	215.7	221.7
3000	213.2	219.2	225.2

Appendix B

Miles	Appendix 10 (262 I.C.C. at page 766)	Appendix 18 (281 I.C.C. at page 328)
(0)	(36)	(52)
5	40	58
10	43	64
15	46	69
20	48	73
25	50	76
30	52	80
35	54	83
40	56	86
45	58	89
50	60	91
55	61	94
60	62	96
65	63	99
70	64	101
75	65	103
80	66	106
85	67	108
90	68	110
95	69	112
100	70	114
110	72	118
120	74	122
130	76	126
140	78	129
150	80	133
160	82	136
170	84	140
180	86	143
190	88	146
200	90	149
210	92	153
220	94	156
230	96	159
240	98	162
260	102	168
280	106	173
300	110	179
320	113	185
340	116	190
360	119	196
380	122	201
400	125	206
420	128	211
440	131	216
460	134	221
480	137	226
500	140	231

[fol. 377]

Appendix B Continued

Miles	Appendix 10	Appendix 18
520	143	236
540	146	241
560	149	245
580	152	250
600	155	255
620	158	260
640	161	265
660	164	270
680	167	275
700	170	280
720	173	285
740	176	290
760	179	295
780	182	300
800	185	305
825	189	310
850	193	315
875	196	320
900	199	325
925	203	330
950	207	335
975	210	340
1000	213	345
1025	217	350
1050	221	355
1075	224	360
1100	227	365
1125	231	370
1150	234	375
1175	237	380
1200	240	385
1225	244	390
1250	247	395
1275	250	400
1300	253	405
1325	257	410
1350	260	415
1375	263	420
1400	266	425
1425	269	430
1450	272	435
1475	275	440
1500	278	445
1525	281	450
1550	284	455
1575	287	460
1600	290	465
1625	293	470
1650	296	475
1675	299	480
1700	302	485
1725	305	490

Miles	Appendix 10	Appendix 18
1750	308	495
1775	311	500
1800	313	505
1825	316	510
1850	319	515
1875	322	520
1900	324	525
1925	327	530
1950	330	535
1975	332	540
2000	334	545
2025	337	550
2050	340	555
2075	342	560
2100	344	565
2125	347	570
2150	349	575
2175	351	580
2200	353	585
2250	357	595
2300	361	605
2350	365	615
2400	368	625
2450	372	635
2500	375	645
2550		655
2600		665
2650		675
2700		685
2750		695
2800		705
2850		715
2900		725
2950		735
3000		745

[fol. 379]

Appendix C

CLASS RATE SCALES

Rates of Progression

(Increase in Class 100 Rate Each 100 Miles)

Miles	Appendix 10	Appendix 18
100	34	62
200	20	35
300	20	30
400	15	27
500	15	25
600	15	24
700	15	25
800	15	25
900	14	20
1000	14	20
1100	14	20
1200	13	20
1300	13	20
1400	13	20
1500	12	20
1600	12	20
1700	12	20
1800	11	20
1900	11	20
2000	10	20
2100	10	20
2200	9	20
2300	8	20
2400	7	20
2500	7	20
2600	-	20
2700	-	20
2800	-	20
2900	-	20
3000	-	20

APPENDIX 18
SCALE OF CLASS 20 RATES

MILES	RATE	MILES	RATE	MILES	RATE	MILES	RATE
0	10	240	32	925	66	1775	100
5	12	260	34	950	67	1800	101
10	13	280	35	975	68	1825	102
15	14	300	36	1000	69	1850	103
20	15	320	37	1025	70	1875	104
25	15	340	38	1050	71	1900	105
30	16						
35	17	360	39	1075	72	1925	106
40	17	380	40	1100	73	1950	107
45	18	400	41	1125	74	1975	108
50	18	420	42	1150	75	2000	109
55	19	440	43	1175	76	2025	110
60	19	460	44	1200	77	2050	111
65	20	480	45	1225	78	2075	112
70	20	500	46	1250	79	2100	113
75	21	520	47	1275	80	2125	114
80	21	540	48	1300	81	2150	115
85	22	560	49	1325	82	2175	116
90	22	580	50	1350	83	2200	117
95	22	600	51	1375	84	2250	119
100	23	620	52	1400	85	2300	121
110	24	640	53	1425	86	2350	123
120	24	660	54	1450	87	2400	125
130	25	680	55	1475	88	2450	127
140	26	700	56	1500	89	2500	129
150	27	720	57	1525	90	2550	131
160	27	740	58	1550	91	2600	133
170	28	760	59	1575	92	2650	135
180	29	780	60	1600	93	2700	137
190	29	800	61	1625	94	2750	139
200	30	825	62	1650	95	2800	141
210	31	850	63	1675	96	2850	143
220	31	875	64	1700	97	2900	145
230	32	900	65	1725	98	2950	147
				1750	99	3000	149

[fol. 381] Appendix E

The Taper or Depression in the Long Haul Rates Relative to Short Haul Rates is *More* Adverse to the Long Haul Carrier Under the Appendix 18 Rate Scale Than Under the Appendix 10

Using 600 and 2000 miles, which are illustrative of the average hauls of the Eastern and Western roads, respectively, on transcontinental traffic, comparison between the Appendix 10 and Appendix 18 rate scales and the cost scale is as follows:

	Appendix 10	Appendix 18	Cost Scale (2 Terminals)
1. Rates at 2000 miles (West)	334	545	154.2
2. Rates at 600 miles (East)	155	255	54.7
3. Ratio of rate at 2000 miles to rate at 600 miles (1 ÷ 2)	2.155	2.137	2.819

In other words, the 2000 mile rate is *lower,* relative to the 600 mile rate, under the Appendix 18 rate scale than under the Appendix 10 rate scale.

Another way of illustrating the fact that the Appendix 18 rate scale, despite its straight line progression above 800 miles, has a relatively greater taper in the long haul rates than Appendix 10, is to show divisions based on Appendix 10 and Appendix 18. Terminal factors of 18 (half of the Class 100 rate of 36¢ at zero miles) is deducted from Appendix 10, as was done in the Docket 28277 scale. 26¢, half of the Class 100 rate of 52¢ at zero miles, is deducted from Appendix 18. The resulting divisions for 600 and 2000 mile hauls are:

[fol. 382]

	Appendix 10	Appendix 18	Cost Scale (1 Terminal)
1. Integer at 2000 miles	316	519	148.2
2. Integer at 600 miles	137	229	48.7
3. Percentage Divisions East [2 ÷ (1 + 2)]	30.2	30.6	24.7
4. Percentage Divisions West [1 ÷ (1 + 2)]	69.8	69.4	75.3

This shows again that the taper in the Appendix 18 scale is even more adverse to the long haul carrier than the taper in the Appendix 10 scale.

In summary, both the Appendix 10 and Appendix 18 rate scales fall far below the cost progression at the long hauls relative to the short hauls, and the depression or taper of Appendix 18 long haul rates relative to the rates for the shorter hauls is greater than the depression or taper of the Appendix 10 scale.

—2—

[fol. 383] Appendix F

The Distorting Effect of the Application of Integer Scales at the Upper End of Mileage Blocks Where the Differences in Haul Are Widely Disparate.

The adverse effect on the very long haul carrier of applying the integer scale to the upper end of the mileage block occurs under any integer scale, however constructed.

The first illustration of the point deals with the Docket 28277 scale, using hauls of 75 miles East and 2075 miles West. In each instance, the haul is at the approximate midpoint of the 50 mile block. The Docket 28277 integer for 100 miles is 52, which is the Appendix 10 rate at 100 miles, less 18 integers. Thus the integer for 75 miles

under the Docket 28277 scale is 52, since 75 miles falls in the 51-100 mileage blocks. It should be noted that the Appendix 10 rate for 75 miles (the 71-75 mileage block) is 65 which, less 18, would produce an integer of 47 for 75 miles.

Turning to the integers for 2075 miles, the Docket 28277 integer for the 2050-2100 block is 326 whereas the Appendix 10 rate at 2075 miles, less 18, is 324. In other words, the use of 50 mile blocks adds 5 integers to the short haul and 2 integers to the long haul, over and above the integers that would result if the Appendix 10 rate scale had been used initially. The effect on the percentages is shown in the following table.

[fol. 384]

	Integer at 75 miles	Integer at 2075 miles	Percent East
Docket 28277 (50 mile blocks, using scale value at high end)	52	326	13.8%
Appendix 10 less 18	47	324	12.7%

A difference of a percentage point at these hauls means an increase of nearly 10% in the revenue of the short haul carrier. The increase shown here is due solely to the use of the high end of the Docket 28277 scale for the entire 50 mile block. Since both scales used here are based on the Appendix 10 rate scale, this increase is over and above the undue advantage accruing to the short haul carrier because of the taper of that rate scale.

The hauls used as illustrations, while greatly different in length, commonly occur in the transcontinental movement. To show the effect on extreme hauls of the use of the high end of the 50 mile block, the hauls of 10 miles East and 2460 miles West (each 40 miles less than the high end of the 50 mile block), can be used. With such extreme hauls, the percentage East using the 50 mile block

is 10.5% whereas the percentage East applying the Appendix 10 rate scale less 18 would be only 6.6%.

This difference is caused by applying the scale value at the high end of the 50 mile block to the entire block. The effect would be much less if the mileage blocks used in the Appendix 10 and 18 rate scales had been used since, instead of 50 mile blocks at all mileages, the mileage blocks

—2—

[fol. 385] are reduced progressively to 25, 20, 10 and 5 mileage blocks as the hauls become shorter and the differences in rate greater. In this way, the distortion introduced by applying the value at the high end of the mileage block to the entire mileage block is minimized in rate scales by reducing the spread of the mileage blocks.

If examples are selected at even hauls, such as 100 and 2000 miles, or 600 and 2000 miles, the mileage block feature does not come into play. But, on the average, the traffic will fall in the middle of the mileage blocks, creating the additional advantage to the short haul carrier illustrated above.

The effect of the application of the scale to the high end of the mileage blocks can also be shown for the Docket 29886 scale.

The following table shows the application of the Docket 29886 scale to hauls of 75 and 2075 miles; (1) using the high end of the 50 mile blocks; and (2) using the progression of 0.2412 per 100 miles to compute a precise integer for each mileage.

Docket 29886 Scale	Integer at 75 miles	Integer at 2075 miles	Percent East
(1) 50 mile blocks with scale value at high end	77	559	12.1%
(2) At exact mileage (approximate midpoint of 50 mile block under this example)	71	553	11.4%

—3—

[fol. 386] The effect of using the scale value at the high end of the 50 mile blocks is to add 6 integers for each haul over and above the integers that the exact mileage would warrant. Where the hauls are approximately equal, addition of 6 integers for each haul would be offsetting. However, adding the same number of integers for each haul where there are great differences in the length of haul has a substantial effect on the resulting percentages, as shown above.

Since the only function of integers is to arrive at percentages, the use of the scale value at the high end of the 50 mile blocks introduces a further distortion in the results produced by the Docket 29886 scale, separate from the adverse effect on the long haul carriers arising out of the construction of the scale itself.

To show that the use of mileage blocks has the same effect where a cost scale is used to construct integers, I have prepared the same illustration using Witness Parr's U.S. Average costs which are the basis of my Appendix A:

U.S. Cost Scale	Integers at 75 miles	Integers at 2075 miles	Percent East
(1) 50 mile blocks with scale value at high end	13.1	155.3	7.8%
(2) At exact mileage (which is the approximate midpoint of 50 mile blocks under this example)	11.4	153.5	6.9%

Again, the use of the scale value at the high end of the 50 mile blocks adds a constant for each haul and thus affects the resulting percentage to the detriment of the

[fol. 387] long haul carrier.

The principal problem presented by the 50 mile blocks, in any integer scale, applied to hauls typical of the trans-

continental hauls, is that the departures from actual mileages are not offsetting but always benefit the short haul carriers. I have used 75 and 2075 miles as illustrations. On the average, it would be expected that the hauls in the 51-100 mile block would average 75.5 and the hauls in the 2051-2100 block would average 2075.5. Whatever integer scale is used, the 50 mile blocks used with the value of the scale at the high end, gives 100 miles credit for an average of 75.5 and 2100 miles credit for an average of 2075.5 miles. The addition of the same figures on each side of the gateway, serves to increase the percentage of the short haul carrier, as shown in the above examples.

The basic cure for this type of distortion is the use of the scale at the midpoint of the mileage blocks, not at the extreme end. For example, if used in constructing percentages, the Appendix 10 scale less 18 for the 51-100 mile block and the 2051-2100 mile block should be taken from the scale at 75 and 2075, not at 100 and 2100 as under the extension of the Docket 28277 scale presented by Mr. Butler in Exhibit E-56. Similarly, where a cost scale is used to determine percentages on such hauls, the cost for the 51-100 and 2051-2100 mileage blocks should be the costs for 75.5 and 2075.5 miles, not the costs for 100 and 2100 miles.

—5—

Appendix G

Distance (Short Line Miles)	Column 1 (For origin & Destination Carriers)	Column 2 (For intermediate Carriers)
1 - 50	78	
51 - 100	114	54
101 - 150	149	89
151 - 200	185	125
201 - 250	221	160
251 - 300	256	196
301 - 350	292	231
351 - 400	327	267
401 - 450	363	302
451 - 500	398	338
501 - 550	434	373
551 - 600	469	409
601 - 650	505	444
651 - 700	540	480
701 - 750	576	516
751 - 800	611	551
801 - 850	647	587
851 - 900	682	622
901 - 950	718	658
951 - 1000	754	693
1001 - 1050	789	729
1051 - 1100	825	764
1101 - 1150	860	800
1151 - 1200	896	835
1201 - 1250	931	871
1251 - 1300	967	906
1301 - 1350	1002	942
1351 - 1400	1038	977
1401 - 1450	1073	1013
1451 - 1500	1109	1048
1501 - 1550	1144	1084
1551 - 1600	1180	1120
1601 - 1650	1215	1155
1651 - 1700	1251	1191
1701 - 1750	1286	1226
1751 - 1800	1322	1262
1801 - 1850	1358	1297
1851 - 1900	1393	
1901 - 1950	1429	
1951 - 2000	1464	
2001 - 2050	1500	
2051 - 2100	1535	
2101 - 2150	1571	
2151 - 2200	1606	
2201 - 2250	1642	
2251 - 2300	1677	
2301 - 2350	1713	
2351 - 2400	1748	
2401 - 2450	1784	
2451 - 2500	1819	
2501 - 2550	1855	
2551 - 2600	1890	
2601 - 2650	1926	
2651 - 2700	1962	
2701 - 2750	1997	

[fol. 388]

[fol. 389]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket No. 31503 and Sub Nos.

Exhibit No. T-304 (AJS-3)

Witness: A. J. Stilling

Application of 15% Minimum in Conjunction with Integer Scales

---

[fol. 390] The Eastern lines' proposal is "subject in the case of individual movements to a minimum of 15%." L. E. Butler Exhibit E-55, page 2. The proposed minimum would apply either in connection with the proposed use of equal factor Docket 28277 integers or the Docket 29886 integers inflated 20% in the East, both of which scales are shown in Exhibit E-56.

The Midwestern lines have proposed the use of Docket 28277 equal factor integers with the provision that "In no case should a primary division be less than 15 percent" H. A. Mintz Exhibit MW-140, page 1. (Also Exhibit MW-139, page 17). "Primary Division" under the Midwestern lines' proposal means as many as four segments of a single haul, and the minimum would apply to each of the segments, including the two intermediate hauls.

This portion of my testimony will deal with the use of a minimum provision in connection with an integer scale. The history of minimum provisions will be discussed. I will also show the effect of any minimum, and particularly a 15% minimum, as it would apply to the transcontinental hauls involved in these proceedings. Extreme differences in length of haul are characteristic of the transcontinental movement although such differences in hauls are seldom, if ever, encountered in the territorial movements to which the 15% minimum provisions have been applied in the past.

The Origin of the 15% Minimum

A minimum provision stated in terms of a percentage, has been a common feature of divisional arrangements [fol. 391] based on mileage prorates or constructive mileage prorates. The purpose of the minimum is to compensate for the terminal services of a short haul carrier under a divisional arrangement based on mileage alone.

An integer scale, unlike a mileage prorate, has an allowance for terminal service built into the scale itself. In the first major divisions case in which an integer scale was prescribed, *Divisions of Freight Rates,* 148 I.C.C. 457 (1928), no minimum provision was prescribed. In that case, the report expressly rejected mileage prorates as being unsound because of failure to allow for terminal service. The report noted that the practice of making provision for minimum divisions of a certain percentage was recognition of a deficiency in mileage prorates. 148 I.C.C. at page 463.

In the next important divisions cases, the Official-Southwestern and Southern cases of the late 1930s, the Commission again prescribed scales of divisional integers without provision for any minimum other than the minimum inherent in the provision for terminal services in the first mileage block of the integer scale itself. 234 I.C.C. 135 and 175 (1939). It is an informative feature of the Official-Southwestern case that the Commission had, in its 1936 report in the same proceeding (216 I.C.C. 687, 717), prescribed divisions based on mileage prorates with a 15% minimum. In the 1939 report, the Commission found that a mileage prorate with a minimum provision was unsound and prescribed integer scales with an allowance for terminal built into the scale itself, and without any provision for a minimum percentage. The Official-Southwestern divi-

—2—

[fol. 392] sions sheet published following this decision (Central Territory Divisions Sheet No. 370) did not include any minimum.

The first proceeding in which a minimum provision was prescribed in conjunction with an integer scale was in Docket 28277, Official-Western Trunk Line Divisions. That proceeding was an unusual one in that the Eastern lines

and the principal carriers in the West had agreed to the so-called 500-A divisions, with the result that the Docket 28277 proceeding actually involved only the divisions of the several Western lines not participating in the 500-A agreement. It was because of the manner in which the controversy arose, that, as stated in the report: "The complainants center their attack on various features of the 500-A basis of divisions without proposing specifically any definite system as a substitute."

The 500-A basis of divisions was described in the report in Docket 28277 as follows:

> "Single-factor carload rates are divided by a modified mileage prorate, under which the western factor is the short-line distance between the interchange point and the western point of origin or destination, inflated 25 percent, plus 120 miles as a terminal element, and the eastern factor is arrived at in the same way but with no inflation. The 500-A basis provides for use of actual interchange points as dividing points, and on traffic which crosses the Mississippi River between St. Louis and East St. Louis, the latter is considered the interchange and dividing point. It also provides for a minimum primary division of 15 percent." 269 I.C.C. at page 768.

This agreement was a compromise and, like many compromises, contained overlapping features. In this instance, the agreement was a constructive mileage prorate with a 120 mile allowance, and also with a 15% minimum provi-

—3—

[fol. 393] sion. Complainants in Docket 28277 vigorously attacked the mileage prorate with 120 mile allowance. So far as I am able to determine, complainants did not question the 15% minimum provision of the compromise 500-A agreement.

The Commission agreed with the complainant roads that the 500-A mileage prorate was unsound and prescribed an integer scale. The Commission did not disturb the 15% minimum provision of the 500-A agreement, as to which no question had been raised, and included the 15 per cent

minimum provision in its order. By so doing, the Commission provided for application to the complainant lines a provision to which they had not objected and that all the other Western lines and the Eastern lines had agreed upon in respect to the traffic there involved.

Actually, the 15% minimum provision had no practical application whatever in Docket 28277 because of the nature of the hauls on the traffic involved in this proceeding. Even under the most extreme hauls on Official-W T L traffic provided for in the prescribed integer scales (50 miles in the East as compared with 1200 miles in the West applying the inflated Column 2 scale), the 15% minimum would not come into play since the short haul road would receive 14.7%, which rounds to 15%, of the revenue.*

Again in the recent Official-Southern and Southwestern cases, there was no question raised as to the 15% minimum provision. The Examiners' reports proposed the same arrangement prescribed in 28277, including the 15% mini-

—4—

[fol. 394] mum provision. The Commission modified the scale of integers but the 15% minimum provision, which had not been questioned by the carriers involved, was not disturbed.

In the Docket 29885-6 Official-Southern and Southwestern cases, the minimum provision had very little practical application under the hauls in those cases. On hauls involving only two groups of roads, which was all the traffic in the Official-Southern case and 93% of the traffic in the Official-Southwestern case, the 15% minimum comes into play only on hauls of 50 miles on one side of the gateway and, on the other, over 1350 miles, which is about double the average hauls in these cases. For all practical purposes, the minimum provision had no application to any volume of the traffic there involved.

On the minor portion of the traffic on which the Southern roads are intermediate, the minimum has fringe application for a short haul terminal road, but the geography of the situation is such that the 15% minimum would accrue

* The 50 mile integer under the Column 1 scale is 42 and the 1200 mile integer under the Column 2 scale is 244 (269 I.C.C. 765, 788). 42 divided by 42 plus 244 is 14.7%.

to the intermediate lines only on such unusual hauls as Portland, Maine, to El Paso, Texas, via Evansville and Memphis, where a 294 mile Southern haul is associated with long Eastern and Southwestern hauls. As a matter of fact, the Southern intermediate hauls are such that, although the column 2 intermediate integer scale in Docket 29886 goes as low as the 1-50 mileage block, the minimum haul included in the published divisions sheet is the 251-300 mileage block. (Central Territory Divisions Sheet No. 375). For this reason, the application of the 15% minimum to the intermediate hauls in Docket 29886 had little, if any, practical application.

—5—

[fol. 395]

A 15% Minimum is Inappropriate for Application to the Hauls Involved in These Cases

While the 15% minimum provision had, for all practical purposes, no application on the traffic involved in the Official-WTL, Southern and Southwestern cases, the long hauls and the great disparity in the relative hauls in the transcontinental movement make the question of applying a minimum provision to such hauls one of considerable significance.

The Official lines' average haul on transcontinental traffic is approximately 600 miles and the Western haul 2000 miles, as compared with the substantially equal average hauls on Official-WTL, Southern and Southwestern traffic. This means that instead of having practically no extreme hauls of 50 miles East and 1500-1600 miles West (as in the Official-Southwestern traffic) the transcontinental traffic produces numerous hauls of 50 miles East and over 2000 miles West. Total hauls of 3000 and more miles with only 300 miles on the Midwestern bridge haul are also common.

1. Use of Any Minimum is Inappropriate in Conjunction with a Properly constructed Integer Scale.

The purpose of a minimum provision is to protect the terminal handling of a short haul carrier. A mileage pro-

rate affords no such protection, but integer scales provide an allowance for terminal handling built into the scale itself. If the integer scale is properly constructed, and reflects a proper relationship of line-haul and terminal services, there is no need for any percentage minimum.

—6—

[fol. 396] In fact, just as the necessity of resort to a minimum was regarded by the Commission as a sign of the deficiency of a mileage prorate, the use of a minimum in conjunction with an integer scale would imply an improper construction of the integer scale. Whenever the minimum applies, the integer scale might as well not exist—just as the mileage prorate drops out of effect in the area in which the minimum applies.

Where an intermediate haul is involved, there is even less reason for a minimum provision for the bridge carrier. The bridge carrier has no terminal service to perform. Interchange service is regarded as a part of the line-haul cost and, if the interchanges are to be compensated separately, the interchange portion of the allowance for line-haul should, for the sake of consistency be excluded.

2. Use of the figure 15% as a Minimum

Where a percentage minimum is appropriate, as with a mileage prorate or constructive mileage prorate, the particular percentage selected depends upon the length of the total haul. 15% may be the proper percentage for total hauls of 1500 miles, but where the total haul exceeds 2000 miles, a lesser percentage minimum is appropriate for use with a mileage prorate.

Since the minimum is to compensate for the terminal service of a short haul carrier, the percentage which will compensate for terminal service of the short haul carrier becomes less as the total haul (and the total revenue) are greater. A short haul carrier receives as much revenue per car as compensation for short haul and terminal service

—7—

[fol. 397] out of a lower percentage of the total revenue from a haul of 2200 miles as it would out of a higher percentage of the total revenue on a haul of 1200 miles. This

has long been recognized in negotiating minima for use with divisions based on mileage prorates. This principle was applied in prescribing minima to be used in conjunction with the constructive mileage prorate prescribed in the trans-Missouri phase of the Commission's decision in Docket 15234. The Commission prescribed a 25% minimum on WTL traffic to and from points in trans-Missouri territory east of Colorado common points, but on the longer haul traffic between WTL and trans-Missouri West and South of Colorado common points, a lesser minimum of 15% was prescribed. 208 I.C.C. at page 302.

On this same principle, if a 25% minimum is appropriate for 600 mile hauls from Iowa to Colorado common points, and a 15% minimum is appropriate for 1200 mile hauls from Chicago to Utah, then the appropriate minimum for the much longer haul transcontinental traffic would be 5% on hauls from Iowa to the Pacific Coast. On the even longer hauls from Indiana to the Pacific Coast, 5% would be more than adequate minimum for the terminal service of the Eastern lines.

The 15% minimum used in connection with the 1200 mile hauls involved in the Official-WTL division case (Docket 28277), is consistent with the 15% figure used for hauls of like length in the trans-Missouri phase of Docket 15234. The hauls to which the 15% minimum applies in the Official-Southern and Southwestern cases are of like length. But where the total haul is much greater, as it is in the

—8—

[fol. 398] transcontinental hauls, the 15% minima is excessive.

The foregoing discussion relates to the use of the figure 15% as a minimum, and the appropriate figures which should be used in conjunction with a mileage prorate or constructive mileage prorate where no allowance for terminal service is provided in the divisional factor itself. Where divisional integers provide an allowance for terminal service in the construction of the integer scales, no percentage minimum is necessary or appropriate.

—9—

[fol. 399]

October 1953

Gateway – Flinton-Kellogg, Ill.

Eastbound Traffic Terminated on M-I R.R.

Origin	Destination	Weight	Total Revenue	Short Lines: Miles East	Short Lines: Miles West	Present Revenue East	Revenue – East Under Basis in ICC Dkt: ICC Dkt 28277	ICC Dkt 29886	Revenue East After Application of 15% Minimum
Richmond, Cal.	Centralia, Ill.	81920	$835.58	64	2144	$41.78	$116.98	$100.27	$125.34
Richmond, Cal.	Centralia, Ill.	82627	842.79	64	2144	42.14	117.99	101.13	126.42
Eureka, Cal.	Centralia, Ill.	41220	509.06	64	2406	25.45	66.18	56.00	76.36
Albany, Ore.	Centralia, Ill.	62380	764.22	64	2238	27.82	99.35	84.06	114.63
Medford, Ore.	Salem, Ill.	53960	666.41	68	2324	24.26	86.63	73.31	99.96
Independence, Ore.	Centralia, Ill.	45980	522.80	64	2219	28.55	67.96	57.51	78.42
Longview, Wash.	Salem, Ill.	55300	702.04	68	2201	25.46	91.27	77.22	105.31
Spokane, Wash.	Centralia, Ill.	53500	663.20	64	1870	23.46	99.48	86.22	99.48
Independence, Ore.	Nashville, Ill.	62350	705.68	49	2219	28.03	77.62	63.51	105.85
		539,237	$6,211.78			$266.95	$823.48	$699.23	$931.77

[fol. 400]

Illustrations of the Effect of the 15% Minimum as Applied to Transcontinental Hauls

Several exhibits already in the record provide examples of the unfair and unusual results which would occur if a 15% minimum is applied to the transcontinental hauls which are so different from those involved in other cases.

Exhibit E-63, presented by Witness Eastman of the Missouri-Illinois railroad, includes a traffic study covering transcontinental traffic receiving terminal service on the Missouri-Illinois. To show the effect of the integers and a 15% minimum, I have reproduced in the table on the facing page data from Exhibit E-63, and added the column showing the effect of a 15% minimum.

Taking the first car shown, a haul from Richmond, California, to Centralia, Illinois (2144 miles in the West and 64 miles in the East), the Missouri-Illinois now receives $41.78, or 5% of the total revenue, for 3% of the line haul service on this long haul movement. The Missouri-Illinois has accepted this share of the transcontinental revenue for many, many years without any complaint that the short haul was being given unfavorable treatment.

Under the Docket 28277 integers, the revenue on this car becomes $116.98, or well over double the present revenue. Under the Docket 29886 integers, without a minimum, the revenue becomes $100.27, again more than double the present revenue. This is the effect of the integer scales alone on this haul. Such results show that the allowance

—10—

[fol. 401] for terminal service built into the integer scales themselves is far too great for application to transcontinental traffic, for the reasons discussed in my prior Exhibit T- (AJS-1).

But with a 15% minimum as proposed by the Eastern lines, the integer scale would have no application at all to any of the movements shown by Mr. Eastman as having terminal service on the Missouri-Illinois. On the Richmond-

Centralia car, the revenue would become $125.34 by application of a 15% minimum, which would triple the $41.78 present revenue. On other cars, the 15% minimum would quadruple the present revenue of the Missouri-Illinois. On the aggregate of the cars shown, the 15% minimum would increase the Missouri-Illinois' revenue to $931.77, which is 350% of its present revenue on these shipments.

Effect of 15% Minimum on Bridge Hauls on Transcontinental Traffic

Witness Mintz' Exhibit MW-193 illustrates the extreme effect of a 15% minimum figure on bridge hauls, using the divisional breaking points proposed by the Midwestern lines.

As an example, the Pittsburgh-San Francisco shipment covered on page 24 of Exhibit MW-193 is routed via East St. Louis, Kansas City and El Paso. The present divisions of the Midwestern lines for the East St. Louis-Kansas City bridge haul is 9.7%.

The Midwestern lines' proposed application of the Docket 28277 integers would increase the divisions of the bridge haul to 12.0%, a 24% increase in their revenue. However, under the Midwestern lines' proposal, a 15% minimum

—11—

[fol. 402] would apply to the haul and would increase the present revenue by 55%. The fact that the integers alone would produce such marked increases in the Midwestern lines' present revenues indicates very strongly that the construction of the integer scale itself, with a constant added for each bridge haul, is highly preferential to the short haul bridge lines on transcontinental traffic. The Midwestern lines would go further and automatically increase any bridge haul to 15% by use of a minimum.

Another example will illustrate the extreme effect of application of a 15% minimum to transcontinental bridge hauls on a Boston to San Francisco haul. $1,000 of revenue would be divided as follows:

	Short Line Miles	Present Divisions	Docket 28277 Integers Without Minimum	Docket 28277 Integers With 15% Minimum
Boston-E. St. Louis (NYC)	1171	$320	$332	$304
E. St. Louis-Kansas City (Mo-Pac)	276	$ 82	$111	$150
Kansas City-Avard (Frisco)	311	$150	$123	$150
Avard-San Francisco (AT&SF)	1709	$448	$434	$396

The bridge haul for St. Louis to Kansas City receives 8.2% of the revenue for 8% of the short line mileage under the present divisions. The Docket 28277 integers, as applied by the Midwestern lines, would increase the Midwestern lines' revenue on this bridge haul to $111, a 35% increase over present revenues. This again illustrates that the Docket 28277 integers are not properly constructed for application to the transcontinental bridge hauls here

—12—

[fol. 403] involved. But the Docket 28277 integers themselves would not apply under the Midwestern lines' proposal of a 15% minimum. The minimum provision would increase the revenue on this bridge haul to $150, which is an 83% increase over present revenues.

Another feature of the Midwestern lines' proposal shown in the Kansas City-Avard haul on the Frisco would also be affected by the minimum, so that the $123 revenue produced by the Docket 28277 integers for the Frisco haul from Kansas City to Avard would be increased to $150. However, if the shipment moved from Kansas City via Santa Fe, or via Union Pacific-Southern Pacific, no minimum would come into play on the hauls west of Kansas City.

This shows that the multiple breaking points proposed by the Midwestern lines not only give the Midwest the

double effect of the preferential construction of the Docket 28277 integers for application to intermediate hauls, as discussed in my Exhibit T- (AJS-3), but also has the pyramiding effect of giving two separate applications of the 15% minimum for intermediate hauls.

A three-way break, instead of the four-way break proposed by the Midwestern lines, would eliminate the double application of a minimum to intermediate hauls. If the breaking points are at the borders of Official and Mountain-Pacific territories, the Midwestern territory hauls would be long enough that a 15% minimum would have no practical application. If a three-way break is made, not on a territorial basis but at the interchange points of Eastern,

—13—

[fol. 404] Midwestern and transcontinental railroads, a 15% minimum would still have important effect on such short but high volume intermediate hauls as East St. Louis and Chicago to Kansas City and Chicago to Twin Cities.

No minimum should be provided for any intermediate hauls on transcontinental traffic. Where the Eastern and transcontinental lines perform all of the terminal service, and the Midwestern lines only provide 7 or 8% of the mileage haul, the Midwestern lines should receive less than a mileage prorate for their intermediate haul; not double that amount produced by application of the 15% minimum proposed by the Midwest.

Conclusion

If a basis of divisions, whether stated in the form of an integer scale or group per cents, properly reflects the line-haul and terminal services performed and takes account of differences in conditions affecting the respective groups of roads, thereby producing a fair and equitable apportionment of the revenues, interjection of a minimum percentage would, by definition, defeat the application of a fair basis of divisions. In other words, if integers are properly constructed, a proper minimum is inherent in the provision for terminal service in the first mileage block of the

scale and the use of a separate percentage minimum which produces a different division is necessarily wrong by the amount of the difference.

If a constructive mileage prorate is used as a basis for arriving at divisions, and no provision is otherwise made

—14—

[fol. 405] for protecting the terminal carrier, then a minimum, for application to the origin or destination movement, should be properly related to the total haul of the traffic involved. On the transcontinental hauls, such a minimum should be no more than 5%, not the 15% figure used in connection with dissimilar, relatively short, traffic movements in other territories.

—15—

[fol. 406]

BEFORE THE
INTERSTATE COMMERCE COMMISSION
WASHINGTON, D. C.

I.C.C. Docket 31503, et al
Exhibit T-314 (FKE-1)
Witness: Ford K. Edwards

TRANSCONTINENTAL DIVISIONS

COMPARATIVE COSTS AND REVENUE NEEDS

* * * * * * *

MOUNTAIN-PACIFIC LINES

[fol. 407]

Rates of Return Based on:

Net Railway Operating Income—Adjusted, and Normalized for Accelerated Amortization

Schedule 211N Net Investment, after Acquisition Adjustment

Year 1955

Group (1)	Rates of Return (2)	Index Numbers (Mountain-Pacific = 100) (3)
1. Official	3.86%	111
2. Midwestern—all roads	3.83%	110
3. Midwestern—excl. C&NW	4.09%	118
4. Mountain-Pacific	3.47%	100

Source: Basing figures in Table 2 of Appendix B, attached.

The foregoing comparisons are based on the year 1955, the latest full year for which the data are available. The year 1955, like the traffic study year 1953, is appropriate for comparison as a normal year since both years conform

to the general nationwide pattern of economic activity and growth. The Federal Reserve Board Index of Industrial Production, a standard measure of economic activity, shows for recent years:

Year	FRB Index of Industrial Production (1947-49—100)
1951	120
1952	124
1953	134
1954	125
1955	139
1956	143 (11 mos.)

These most recent years show a general and fairly consistent growth at the rate of about 3% per year, which has generally been the experience over the long term as well.

—25—

[fol. 408] It is apparent from this index that 1954 was not a normal year, since it showed a recession contrary to the normal trend.

Each of the rate of return comparisons shows that, on the basis of this comprehensive test of rail financial strength, the Mountain-Pacific group of roads has the poorest financial position of any of the groups participating in the transcontinental traffic. The Mountain-Pacific group is the "low man" on the rate of return "totem pole."

Rate of return does not, however, reflect differences in need for earnings to meet fixed charges and for reinvestment in railroad plant. And, of course, rates of return, like other data from past records, must be evaluated in light of economic trends and other forces affecting future earnings relationships. These important factors will be analyzed in the next following sections.

B. Funds Available and Funds Required

Rates of return, while reflecting a complex of economic forces affecting revenues, expenses and plant investment,

do not reveal the real earnings actually available to the owners of the carrier properties. This is because net railway operating income must cover the five demands which are listed below in the order of their priority:

1. Fixed charges.
2. Net retirement of short term equipment debt.
3. Furnishing of funds to close the gap between depreciation accruals and present day replacement costs on property retired and replaced.
4. Funds to provide expansion of the plant.
5. Dividend payments to the owners (stockholders).

The railroads today are primarily dependent upon retained earnings as the source of funds for needed investment in rail plant and equipment. Depreciation accruals are often listed as a source of funds for gross capital in-

—26—

[fol. 409] vestment, but with the present built-in inflation now characterizing the national economy, depreciation charges may do no more than cover a part of the replacement costs of the property retired. Retained earnings and short term (equipment) borrowings, must make up this deficit or "slippage" as it is sometimes termed, before considering the expansion in the physical plant necessary to serve the shippers.

Even equipment borrowings are but a temporary relief as short-term installment payments must be made out of retained earnings or (indirectly) from further short term borrowings. Long term debt cannot be resorted to by the majority of roads on any significant scale and increase in debt would be an exceedingly unwise policy in view of the risk characteristics of the railroad industry.

In principle, the foregoing problem is common to the railroads generally. But the problem is naturally most acute, and the need for retained earnings the greatest, where the demand for increased investment is the greatest. With the

growth of Mountain-Pacific territory, and the fastest rate of increase in ton-miles handled, the demands for increased net investment have been the greatest for the Mountain-Pacific roads, as shown in the following table:

GROWTH IN NET INVESTMENT BASE
(INCLUDING ACQUISITION ADJUSTMENT)
1951-1955 (millions)

Item (1)	Official (2)	Midwest (3)	Mountain-Pacific (4)
1. January 1, 1951	$10,771	$4,851	$5,760
2. December 31, 1955	11,425	5,301	6,561
3. Increase	$ 654	$ 450	$ 801
4. Per cent Increase	6%	9%	14%

These increases in the net plant investment are proportionately much greater in the Mountain-Pacific territory whether measured relative to the total net plant investment, or relative to the source from which the funds are drawn—earnings.

The net capital expansion of the Mountain-Pacific rail

—27—

[fol. 410] plant over the five year period (1951-1955) would absorb the entire net railway operating income for three and one-half years of the period, leaving nothing for fixed charges maturing equipment obligations or dividends to the owners. The high burden of funds required in relation to funds available from current earnings is set out in the table below. Here shown are the number of years of net railway operating income at the 1955 earning level (after normalization for rapid amortization) required to cover the funds for capital investment for the respective groups of roads:

NUMBER OF YEARS OF RETAINED EARNINGS REQUIRED TO FINANCE FIVE YEARS OF CAPITAL EXPANSION

Group	Increase in Net Investment (including acquisition adjustment) over 5-year period 1951-1955 (millions) (1)	1955 NROI (adjusted for tax on other income and normalized for rapid amortization) (millions) (2)	Years of Rail Earnings required to cover increase in Net Investment, col. (1) ÷col. (2) (3)
1. Official	$654	$441	1.5
2. Midwest	450	202	2.2
3. Mountain-Pacific	801	226	3.5

The startling fact from this table is that the Mountain-Pacific lines' increase in net investment over the 5-year period is equal to 3.5 years of net railway operating income at the 1955 level, or a 70% absorption. In contrast, but 1.5 years of earnings were required by the Official group for similar purposes. The net increase in capital investment for this group was proportionately smaller to total rail plant and the earnings available were relatively larger than for the Mountain-Pacific group. The same explanation applies to the figure of 2.2 years shown for the Midwestern group.

These figures highlight the financial problems facing the Mountain-Pacific roads. With operating costs, i.e., wages, fuel, material and supplies, now being subjected to built-in inflation, the pressure on existing sources of revenue to

—28—

[fol. 411] meet the demands for new capital funds becomes steadily greater. The important fact here is that the pressures on the Mountain-Pacific group of roads to supply added funds are greater than for the Midwest or Official groups. Other testimony shows that capital expansion in the Mountain-Pacific group will continue at present or higher levels for the next 5 years, whereas that of the Mid-

west and Official groups reasonably may be expected to taper off. Even if continued at the current rate, the revenue needs here generate for the other two groups are much less burdensome than for the Mountain-Pacific carriers.

Unrewarded Investments

The net railway operating income of the Mountain-Pacific rail group since 1950 has never equalled the 1950 figure. In effect, this group of carriers has yet to receive any return on the added $801 million investment in rail plant which it has made since the beginning of 1951. In contrast to the Mountain-Pacific experience, the recent capital expansion of the Official group since 1950 in the amount of $654 million has been accompanied by an increase in net railway operating income of $20 million ($84 million increase in NROI, adjusted for taxes on non-transportation income, less $64 million overstatement due to accelerated amortization). In effect, the net added investment in Official territory has been accompanied by increases in earnings which in 1955 were equivalent to a 3.1 per cent return on the added capital employed. For both of these rail groups, Mountain-Pacific and Midwest, the ploughing back of retained transportation earnings served but to prevent the decline in rail earnings from being greater than it otherwise would have been. However, as shown above, the Mountain-Pacific group has made the proportionately larger added investment to its rail plant and its rates of return have been consistently lower than those of the Midwestern group from 1950 to 1955.

The principle that earnings necessarily retained in the business to meet the demands for service will bring their eventual rewards to stockholders applies only if the rates

—29—

[fol. 412] of return give recognition to the funds ploughed back into the property. If this is not the case, the situation takes on the character of an appropriation of earnings without compensation, which is confiscation. This is the result of the financial situation in which the Mountain-

Pacific group currently finds itself. As shown in the executive testimony of the Mountain-Pacific lines, the dividends which the stockholders have received in recent years have come largely, and in some cases almost exclusively, from earnings out of oil and other non-transportation operations.

—30—

* * * * * * * * *

[fol. 413]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. DOCKET No. 31503
AND SUB. NOS.

Exhibit No. I-381

Witness:
Robert R. Clark

DOCKET No. 31503

TRANSCONTINENTAL DIVISIONS

Statement

Submitted on Behalf of:

HOWARD MORGAN
Public Utility Commissioner
of Oregon

As Well As
Other Petitioning Intervenor Commissions

Witness:

Robert R. Clark
Rate Analyst
Rail Transportation Department
Public Utility Commissioner of Oregon

218 Public Service Building
Salem, Oregon

[fol. 414] My name is Robert R. Clark. I am a Rate Analyst with the Public Utility Commissioner of Oregon starting with the Commission in 1949. I graduated from Oregon State College in 1949, majoring in business administration (accounting). I have testified before the Interstate Commerce Commission in Class Rates, Mountain Pacific Territory I.C.C. 30416 and Class Rates, Transcontinental Rail 1950 I.C.C. 30660 and the Shippers' Car Supply Committee Case I.C.C. 30708 and others. I have also testified before other Federal Commissions and in court proceedings.

This testimony is being offered not only on behalf of Oregon but the Mountain Pacific Territory generally. The economy of Oregon and Mountain Pacific Territory is dependent upon the production and marketing of its basic raw materials which are moved to the consuming territory over long distances. Any decision which would compel a cutting back or a diminishing of transportation service, or in the alternative, increases in long-haul rates will have a serious detrimental impact upon the entire economy of the Mountain Pacific Territory and in support of this position the following evidence is offered.

Appendix A, Section 1, page 1 shows that the Mountain Pacific Transcontinental Lines have made a rate of return [fol. 415] of 4.26% for the five years 1951-1955. The average return for all roads operating in the United States during this period is 4.67%. Comparing these rates of return shows that the lines serving the Mountain Pacific Territory are below the National average. Obviously any loss in revenue would jeopardize the ability of the Mountain Pacific railroads to adequately serve, let alone expand, to meet the growing needs of this area. Our Mountain Pacific railroads have been devoting 78% of these average earnings as shown in Appendix A, Section 1 Page 3 to the purchase of new equipment and other improvements to insure adequate service. Any reduction in rev-

enues would cripple the ability of these roads to continue to provide equipment and to provide adequate service. Oregon and other parts of the Mountain Pacific Territory have suffered from inadequate service for many years as shown by other witnesses. Ability of the carriers to serve this area would be obviously reduced by reductions in divisions of western carriers, discourage industry in the Mountain Pacific Territory and prove detrimental to the public interest.

The importance of Transcontinental Divisions revenue to the Mountain Pacific lines may be illustrated by the

—2—

[fol. 416] effect changes in divisions have on net railway operating income. For illustration I have taken the figures from witness H. J. Kihn (HJK-5) Exhibit No. T at figures):

	Est. Rev. Loss (1)	Net Ry. Op. Inc. (2)	Western Loss to Carriers as a percent of NROI
AT&SF	$ 18,596,988	$ 75,108,998	24.8%
D&RGWRR	6,407,936	13,095,583	48.9
GR. NTHN.	9,618,533	27,530,656	34.9
N.P.	9,080,410	14,867,078	61.1
S.P.	26,838,781	47,106,187	57.0
U.P.	33,191,656	28,859,926	115.0
W.P.	3,732,595	8,526,036	43.8
Total	$107,466,899	$215,094,464	50.0

Source: (1) Witness H. J. Kihn (HJK-5) pg. 9 of 14.
(2) Statistics of Ry. in the U.S.

A comparison of these figures clearly point out our reason for concern. The Atchison Topeka and Santa Fe would lose 24.8% of their net railway operating income while the Union Pacific will lose 115% of their net railway operating income. The percent loss of net railway operating income to the other Mountain Pacific carriers listed, fall in between the Atchison Topeka and Santa Fe and the Union Pacific Company. It is equally clear that the Mountain Pacific carriers with their 5-year average rate of return of 4.26% if forced to suffer this extreme loss of

—3—

[fol. 417] revenue will be compelled either to reduce service or increase their rates or both. Eastern carriers will not benefit by the full amount because of Federal income tax. If our Western shippers have to make up this loss in revenue to our Western carriers it would be necessary to increase rates for the full amount. Since studies introduced by Interveners show definitely that further increases in rates will bring about either diversion or drying up of traffic, the end result would not only be detrimental to the public interest but to the carriers in both territories.

The important transcontinental commodities in Mountain Pacific Territory are canned goods, fruits and vegetables, livestock, ore and concentrates, and lumber. The rail movement of canned goods and fruits and vegetables is shown in Appendix A Section 2. About 26% of the transcontinental East-bound rail traffic is composed of agricultural products and of the agricultural products that we here consider important which originate on the railroads in Mountain Pacific Territory, 80% in 1955 moved to territory East of Mountain Pacific Territory excluding barley and rye, wheat and wheat flour. The movement of barley and rye as set out in Appendix A Section 2, page 6 shows that the percentage of originations in Mountain

—4—

[fol. 418] Pacific Territory that moved to territory East of Mountain Pacific declined from 41% in 1947 to 10% in 1955.

These statistics also point out that 100,026 tons moved to territory east of Mountain Pacific in 1947, 74,121 tons

moved east of Mountain Pacific Territory in 1955 or a decline of 26% in the movement of these important agricultural products in transcontinental traffic. To further stress the decline in the movement of the important agricultural commodities the following list is set out. These commodities listed represent 49% of the originations of agricultural products in 1955.

Commodity	1947 (Tons)	1955 (Tons)	% Decrease
Lemons, Limes & Citrus Fruits	3,815	2,053	46.19
Pears, fresh	1,814	1,555	14.27
Grapes, fresh	4,390	3,491	20.48
Cantaloupe & Melons	3,018	2,623	13.09
Lettuce	8,390	7,644	8.89
Apples, fresh	6,129	3,455	43.63
Fruit, dried	2,061	947	54.05
Fruit, fresh, N.O.S.	1,399	1,249	10.72
Beans and Peas, dried	3,149	2,055	34.76
Vegetables, fresh, N.O.S.	4,978	2,560	48.57
Oranges and Grapefruit	11,144	4,914	55.90
Tomatoes	803	595	25.90
Barley and Rye	6,212	1,663	73.23
Flour, wheat	2,115	1,039	50.87
Products of Agric. N.O.S.	1,556	1,355	12.92
*Poultry, dressed and frozen	316	282	10.76
*Vegetables & Nut Oils, N.O.S.	2,328	1,632	29.90

*Included in Animals and Products and Manufactures and Miscellaneous

Source: 1% Waybill Study.

[fol. 419] One of the reasons for this decline is that the competitive relationships have been destroyed by percentage rate increases.

The need for low lumber rates to move our Western Lumber in competition with areas closer to Eastern markets is shown by the following information:

LUMBER PRODUCTION BY MAJOR REGIONS

Millions of Board Feet, Lumber Tally

	Total U.S.		Eastern U.S.		Western U.S.	
	All Species	Soft Woods	All Species	Soft Woods	All Species	Soft Woods
1951	37,204	29,493	18,313	10,629	18,891	18,864
1952	37,462	30,234	17,742	10,551	19,720	19,683
1953	36,742	29,562	16,834	9,682	19,908	19,880

Source: Facts for Industry, compiled by Census Bureau Commerce Dept., Feb. 24, 1955, Lumber Production and Mill Stocks.

32% of the soft woods produced in the United States and 46% of the total lumber produced in the United States was produced in Eastern United States which is closer to the marketing areas.

In addition to the lumber competition from the Eastern part of the United States, the water-borne shipments from Canada to the Atlantic Coast are substantial. The water movement of lumber from British Columbia to the Atlantic Coast of the United States is as follows:

—6—

[fol. 420]

	Atlantic Coast Feet Board Measure
1951	61,297,712
1952	222,078,158
1953	534,965,125
1954	507,835,261
1955	344,920,093
1956	282,161,090

Source: Pacific Lumber Inspection Bureau, Inc. Water-borne Shipments of Lumber

Appendix A, Section 3 shows the increases in the differentials that have taken place since 1946 on the following commodities. (cents per 100 lbs.)

Commodity	Differential June 30, 1946	Differential Present	Percent Increase
Canned Foods	51¢	103¢	102%
Flour, wheat	59	96	63
Wood Pulp	18	33	83
Oranges	66	76	15
Lumber	35½	49½	39
Apples	100	138	38

The rates proposed by petition filed January 11, 1957, will further increase these differentials, and disturb rate relationships. Any decision herein which would tend to bring about further increases will obviously make competition impossible and dry up traffic and this will eventually bring about decentralization of industry and complete loss of transcontinental traffic.

The Eastern carriers have stressed their inability to meet motor transportation rates in their territory and have set out their inability to raise rates on their short-haul traffic as one of the important factors for their needing

—7—

[fol. 421] more revenue from the long-haul traffic. Witness Baylis in Exhibit No. E-16 at page 11 uses iron and steel articles as an example. The following statement is made with regard to this example:

> "This example shows what has happened to an important bulwark of the New York Central's revenues * * *, but which under present conditions can be retained on the railroads only at a substantial sacrifice in profit margins."

We are setting forth in Section 4 the dockets for one year of the North Pacific Coast Freight Bureau and the joint

dockets of the North Pacific Coast Freight Bureau and Pacific South Coast Freight Bureau which are specifically set forth as proposed to meet reduced truck rates; 84% of these proposed dockets were approved. On page 1 of Section 4, Docket No. JT-4817 (C) proposes that rates on iron and steel articles between San Francisco, California and Portland, Oregon be reduced to meet truck rates. Iron and steel articles in Docket No. XNC-6452 (C) as listed on page 6 of Section 4 proposes reduced rail rates between Trentwood, Washington and the Coast. Docket No. XNC-6708 (C), page 9 of Section 4 proposed a reduction in iron and steel articles between Portland, Oregon and Seattle and Tacoma, Washington, in order to meet truck rates. This points out that the railroads in Mountain Pacific Territory are required to reduce rates in order to meet the truck competition. The number of docket proposals

[fol. 422] listed in Section 4 indicates the frequency of the need for the railroads to make reduced rates to meet competition from other forms of transportation. These are the carrier dockets that were definitely listed to meet reduced truck rates. Many of the other dockets listed undoubtedly were for the purpose of reducing the rates because of competition from other forms of transportation.

Quotations as shown in Appendix A Section 5 are taken from the Class Rates-Mountain Pacific Territory, ICC 30416 and Class Rates-Transcontinental Rail 1950, 30660, decided October 19, 1955. These quotations also point out why it will be very difficult to recover any losses from intra-Mountain Pacific Traffic. Increases in intra-Mountain Pacific Rates will divert traffic to competitive forms of transportation.

With Oregon dependent upon the railroads to move a major portion of the lumber products, and the fact that rail service has been inadequate in the past, any loss of revenue to our Western carriers could prove serious from the standpoint of adequate service in the future. By the same token, with the competition our commodities have from other areas, any increase in rates will also be serious.

The carriers at the present time need to expand their service on the West Coast to encourage and develop rail traffic.

—9—

[fol. 423]

BEFORE THE INTERSTATE COMMERCE COMMISSION

I-382

I.C.C. Docket No. 31503
and Sub Numbers.

Appendix A

I.C.C. Docket No. 31503 Transcontinental Divisions

Section 1 Rates of Return United States and Mountain Pacific Roads

Section 2 Comparison and Analysis of Tonnage Originated in Mountain Pacific Territory

Section 3 Effect of Cumulative Percentage Increases in Freight Rates

Section 4 Statement showing rail docket proposals for reductions to meet motor competition

Section 5 Extracts From I.C.C. Decisions

Submitted on Behalf of:

HOWARD MORGAN
Public Utility Commissioner of Oregon
Intervener,

As Well As
Other Petitioning Intervener Commissions

Witness:

Robert R. Clark, Rate Analyst
Rail Transportation Department
Public Utility Commissioner of Oregon

218 Public Service Building
Salem, Oregon

[fol. 424]

Section I

RATES OF RETURN FOR CLASS I RAILROADS

UNITED STATES

&

MOUNTAIN PACIFIC

Mountain Pacific	Page 1
United States Averages	Page 2

[fol. 425]

Section 1
Page 1 of 2 pages

SUMMARY MOUNTAIN PACIFIC TRANSCONTINENTAL

COMPUTATION OF ASSUMED BASE AND ANNUAL RATE RETURN

	1951	1952	1953	1954	1955	5 Year Average 1951-55
Investment Road and Equipment	$ 6,386,530,142	$ 6,585,760,700	$ 7,242,918,027	$ 7,884,295,657	$ 8,035,078,833	$ 7,226,916,672
Improvements on Leased Property	6,041,725	6,599,944	8,683,698	10,590,456	11,068,982	8,586,161
Acquisition Adjustment	244,581,484	243,796,262	235,728,411	233,373,289	238,211,031	239,138,095
Less Donations and Grants	34,364,256	39,124,813	60,601,547	79,636,651	84,349,904	59,615,434
TOTAL	6,113,626,126	6,309,439,569	6,955,271,767	7,581,876,173	7,723,586,880	6,936,760,103
Accrued Depreciation and Amortization	1,532,913,173	1,590,571,209	1,691,509,572	1,774,550,920	1,805,867,108	1,679,162,396
Investment less Recorded Depr. and Amortiz.	4,580,712,953	4,718,468,361	5,263,762,194	5,807,325,253	5,917,719,772	5,257,597,707
Working Capital:						
Materials and Supplies	226,155,638	240,285,658	229,852,967	205,261,178	181,213,025	216,553,693
1/12 Annual Oper. Expense less Depr.	146,096,011	150,355,273	153,080,110	142,055,555	145,700,299	147,457,450
Assumed Rate Bas (1)	4,952,964,602	5,109,109,292	5,646,695,271	6,154,641,986	6,244,633,096	5,621,608,849
Railway Operating Income:						
Operating Revenue	2,458,722,170	2,577,599,322	2,599,196,566	2,346,313,706	2,503,039,702	2,496,964,293
Operating Expense	1,862,720,818	1,916,670,410	1,955,864,285	1,819,024,035	1,881,042,637	1,887,064,437
Net Revenue from Ry. Operations	596,001,352	660,928,912	643,332,281	527,289,671	621,997,065	609,909,856
Railway Tax Accruals:						
U. S. Government Taxes	228,355,284	278,538,240	251,132,081	157,572,039	208,191,544	224,757,838
Taxes, other than U. S. Government	92,968,929	91,458,098	93,910,697	96,180,991	100,057,841	94,915,311
Net Rents	40,361,450	45,700,219	59,573,510	55,860,076	51,881,766	50,675,404
Net Railway Operating Income	$ 234,315,689	$ 245,232,355	$ 238,715,993	$ 217,676,565	$ 261,865,914	$ 239,561,303
Average Annual Rate of Return	4.73%	4.80%	4.23%	3.54%	4.19%	4.26%

Includes the following roads:

Southern Pacific
Western Pacific
Denver Rio Grande Western
Colorado & Wyoming
Atchison, Topeka & Santa Fe
Union Pacific
Northwestern Pacific
Northern Pacific
Great Northern
Sacramento Northern
Utah Railway Co.
Chicago, Milwaukee, St. Paul & Pacific R.R.Co.
Spokane International
Spokane, Portland & Seattle

[fol. 426]

U. S. CLASS I RAILROADS

COMPUTATION OF ASSUMED RATE BASE AND ANNUAL RATE OF RETURN

	1951	1952	1953	1954	1955	5 Year Average 1951-55
Investment Road and Equipment	$25,790,857,388	$26,757,165,735	$27,958,406,711	$28,878,377,836	$29,206,298,327	$27,718,221,199
Improvement on Leased Property	509,428,333	501,138,327	492,720,525	501,671,421	513,251,052	503,641,932
Acquisition Adjustment	872,250,859	861,743,253	857,288,792	846,104,570	849,647,777	357,407,050
Less Donations and Grants	151,897,345	162,666,196	189,001,486	218,081,453	288,442,606	202,017,817
TOTAL	25,276,137,518	26,233,894,614	27,454,836,957	28,315,863,234	28,581,458,996	27,162,438,264
Accrued Depreciation and Amortization	$ 6,315,335,949	$ 6,457,158,222	$ 6,598,540,351	$ 6,770,827,008	$ 6,914,825,125	$ 6,611,337,331
Investment less Recorded Depr. and Amortiz.	18,960,801,569	19,776,736,392	20,806,296,606	21,545,036,227	21,666,633,871	20,551,100,933
Working Capital:						
Materials and Supplies	817,665,642	874,654,066	839,845,085	768,956,016	682,111,092	796,646,380
1/12 Annual Oper. Expense less Depr.	631,746,009	630,570,468	635,863,945	571,494,456	592,598,500	612,454,675
Assumed Rate Base (1)	$20,410,213,220	$21,281,960,926	$22,282,005,636	$22,885,486,699	$22,941,343,463	$21,960,201,988
Railway Operating Income:						
Operating Revenue	$10,390,610,786	$10,580,762,001	$10,664,168,861	$ 9,370,825,506	$10,106,329,593	$10,222,539,349
Operating Expense	8,041,277,137	8,052,518,337	8,135,228,716	7,384,499,431	7,646,418,260	7,851,988,376
Net Revenue from Ry. Operations	2,349,333,649	2,528,243,664	2,528,940,145	1,986,326,075	2,459,911,333	2,370,550,975
Railway Tax Accruals:						
U. S. Government Taxes	855,754,577	906,418,608	822,388,253	499,565,892	700,888,191	757,003,104
Taxes, other than U. S. Government	347,521,997	355,416,323	362,612,799	361,715,772	379,524,690	361,358,316
Net Rents	203,515,464	188,188,374	234,539,645	251,026,265	251,501,574	225,754,264
Net Railway Operating Income	$ 942,541,611	$ 1,078,220,359	$ 1,109,399,448	$ 874,018,146	$ 1,127,996,878	$ 1,026,435,288
Average Annual Rate of Return	4.62	5.07	4.98	3.82	4.92	4.67

Notes & Source: Statistics of Railways in the U. S. by the I.C.C.

[fol. 427]

Section 1
Page 3 of 3 pages

Mountain Pacific Transcontinental

Statement Showing Source and Application of Funds

	Jan. 1, 1951	Dec. 31, 1955	Increase (Decrease)
Total Stock	$ 2,138,355,131	$ 2,083,632,743	$ (54,722,388)
Total Long Term Debt	2,015,861,961	2,179,568,381	163,706,420
Total Current Liabilities	550,363,270	552,412,163	2,048,893
Total Deferred Liabilities	87,238,008	9,209,340	(78,028,668)
Unadjusted Debits	75,762,707	130,954,534	55,191,827
Total Surplus	2,031,472,316	2,973,453,059	941,980,743
Total	$ 6,899,053,393	$ 7,929,230,224	$ 1,030,176,831

Increase in Total Surplus is 78% of the Net Railway Operating Income during this five-year Period.

Net Railway Operating Income

1951	$ 234,315,689
1952	245,232,355
1953	238,715,993
1954	217,676,565
1955	261,865,914
Total	$ 1,197,806,516

	Jan. 1, 1951	Dec. 31, 1955	Increase (Decrease)
Total Investment Less Depr. & Amort.	$ 5,765,211,819	$ 6,836,338,811	$ 1,071,126,992
Current Assets	1,085,545,865	1,048,709,106	(36,836,759)
Deferred Assets	18,482,006	19,384,498	902,492
Unadjusted Debits	29,813,703	24,797,809	(5,015,894)
Total Assets	$ 6,899,053,393	$ 7,929,230,224	$ 1,030,176,831

Source: Statistics of Railways in the United States

Railroads Included Listed in Section 1 page 1

COMPARISON OF RAILROAD TONNAGE ORIGINATED IN MOUNTAIN-PACIFIC TERRITORY WITH TOTAL UNITED STATES ORIGINATED TONNAGE FOR COMMODITIES SHOWN FOR YEARS 1947-1955

ALSO VOLUME OF ORIGINATED TONNAGE. (BASED ON ICC 1% CARLOAD WAYBILL ANALYSIS FOR YEARS SHOWN)

ALL COMMODITIES U.S.	YEAR	US to US	M.T.P. to US	MTP Orig. of U.S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt.P. to Official	Mt.P.Orig. term. in Off. Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt. P. Orig. term.in WTL & SW.
	1955	13,810,829	1,330,593	10%	345,624	26%	131,960	9%	21,526	1.6%	192,138	14%
	1954	12,272,178	1,221,732	10	336,214	28	113,716	9	20,034	1.6	202,464	17
	1953	14,003,488	1,330,988	10	337,515	25	122,700	9	19,560	1.5	195,255	15
	1952	13,487,176	1,254,198	9	322,477	26	115,389	9	17,234	1.4	189,854	15
	1951	14,175,284	1,275,016	9	323,088	25	114,040	9	17,642	1.4	191,406	15
	1950	13,072,222	1,200,574	9	313,704	26	110,039	9	15,518	1.3	188,147	16
	1949	11,965,080	1,103,735	9	274,448	25	96,825	9	14,160	1.3	163,463	15
	1948	14,395,579	1,238,077	9	303,013	24	109,364	9	11,943	1.0	181,706	15
	1947											
Products of Agriculture	1955	1,240,291	205,693	17	76,482	37	32,433	16	7,148	3	36,901	18
	1954	1,276,540	232,331	18	86,025	37	30,968	13	7,417	3	47,640	21
	1953	1,274,789	226,596	18	94,975	32	33,723	15	8,769	4	52,483	23
	1952	1,313,893	213,179	16	82,400	39	31,442	15	7,470	4	43,488	20
	1951	1,333,070	211,596	16	86,230	41	30,909	15	6,781	3	48,540	23
	1950	1,216,028	204,707	17	84,102	41	32,595	16	6,640	3	44,867	22
	1949	1,378,567	211,123	15	84,523	40	32,169	15	5,575	3	46,779	22
	1948	1,426,288	214,273	15	85,917	40	34,255	16	5,315	2	46,347	22
	1947											
Animals and Products	1955	129,938	13,249	10	5,710	43	1,792	14	93	.7	3,825	29
	1954	133,872	14,544	11	5,633	39	1,570	11	169	1.1	3,894	27
	1953	138,388	14,580	11	5,795	40	1,774	12	83	.6	3,938	27
	1952	140,740	13,821	10	5,273	38	1,664	12	95	.7	3,514	25
	1951	139,749	14,033	10	5,366	38	1,941	14	122	.9	3,303	24
	1950	145,372	14,194	10	5,265	37	1,919	14	60	.4	3,286	23
	1949	154,116	15,569	10	6,525	42	1,820	12	119	.8	4,586	29
	1948	164,534	17,450	11	6,312	36	1,992	11	172	1	4,148	24
	1947											
Products of Mines	1955	7,807,338	420,984	5	34,054	8	7,420	2	624		26,010	6
	1954	6,744,133	367,150	5	32,919	9	5,820	2	415		26,684	7
	1953	7,989,362	453,859	6	32,238	7	6,036	1	486		25,616	6
	1952	7,566,585	402,463	5	35,146	9	6,338	2	303		28,505	7
	1951	8,047,644	403,991	5	38,538	10	10,285	3	263		27,990	7
	1950	7,337,023	360,399	5	33,002	9	5,410	2	479		27,113	8
	1949	6,496,066	320,941	5	28,059	9	3,911	1	380		23,768	7
	1948	8,205,493	374,424	5	39,665	11	5,631	2	359		33,675	9
	1947											

	YEAR	US to US	M.T.P. to US	MTP Orig. of U. S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt.P. to Official	Mt.P.Orig. term. in Off. Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Products of Forests	1955	839,045	322,009	38%	138,034	43%	55,296	17%	7,408	2.3%	75,330	23%
	1954	767,789	282,889	37	132,815	47	50,846	18	6,265	2.2	75,704	27
	1953	819,349	292,011	36	121,293	42	48,447	17	4,978	1.7	67,868	23
	1952	819,193	292,939	36	118,821	41	45,502	16	4,248	1.5	69,071	24
	1951	837,959	288,662	34	107,523	41	40,852	14	3,702	1.3	62,969	22
	1950	799,084	285,827	36	107,142	37	38,301	13	2,711	.9	66,130	23
	1949	695,430	260,033	37	89,716	35	33,671	13	1,971	.8	54,074	21
	1948	822,667	292,568	36	86,064	29	33,767	12	1,600	.5	50,697	17
	1947											
Manufactures and Misc.	1955	3,750,714	367,226	10	90,295	25	34,776	9	6,220	1.7	49,299	13
	1954	3,313,608	323,596	10	82,973	26	29,385	9	5,768	1.7	47,820	15
	1953	3,741,152	342,957	9	82,696	24	32,584	10	5,244	1.5	44,868	13
	1952	3,608,256	330,786	9	80,119	24	30,295	9	5,118	1.5	44,756	14
	1951	3,776,038	355,476	9	84,769	24	30,041	8	6,764	1.9	47,964	13
	1950	3,537,793	334,477	9	83,801	25	31,742	9	5,628	1.7	46,431	14
	1949	3,209,632	295,227	9	65,205	22	25,130	9	6,115	2.1	33,860	12
	1948	3,741,555	338,514	9	84,649	25	33,532	10	4,497	1.3	46,620	14
	1947											
Lemons, Limes, & Citrus Fruits nes	1955	2,089	2,089	100	2,053	98	1,181	57	326	16	546	26
	1954	2,362	2,362	100	2,345	99	1,160	49	550	23	635	27
	1953	2,128	2,128	100	2,089	98	1,221	57	457	21	411	19
	1952	2,551	2,551	100	2,531	99	1,299	51	283	11	949	37
	1951	2,503	2,503	100	2,463	98	1,104	44	479	19	880	35
	1950	2,359	2,339	99	2,219	95	1,370	59	430	18	419	18
	1949	2,823	2,786	99	2,756	99	1,620	58	356	13	780	28
	1948	3,195	3,171	99	2,990	94	1,580	50	440	14	970	31
	1947	4,100	4,061	99	3,815	94	2,065	51	381	9	1,369	34
Pears, Fresh	1955	2,266	2,253	99	1,555	69	1,172	52	56	2	327	15
	1954	2,399	2,365	99	1,734	73	1,356	57	72	3	306	13
	1953	2,535	2,456	97	1,713	70	1,217	50	58	2	438	18
	1952	2,659	2,639	99	2,035	77	1,252	47	127	5	656	25
	1951	2,753	2,637	96	1,752	66	1,250	47	37	1	565	21
	1950	2,695	2,606	97	1,732	66	1,329	51	96	4	307	12
	1949	2,892	2,956	99	2,183	74	1,474	50	128	4	581	20
	1948	2,101	2,089	99	1,490	71	1,092	52	95	5	303	15
	1947	3,032	2,964	98	1,814	61	1,254	42	93	3	467	16
Grapes, Fresh	1955	3,678	3,678	100	3,491	95	2,376	65	386	10	729	20
	1954	3,728	3,728	100	3,550	95	2,573	69	252	7	725	19
	1953	3,661	3,650	100	3,339	91	2,418	66	249	7	672	18
	1952	3,865	3,771	98	3,558	94	2,278	60	314	8	966	26
	1951	4,253	4,169	98	3,870	93	2,534	61	358	9	978	23
	1950	3,633	3,569	98	3,180	89	2,097	59	221	6	862	24
	1949	4,405	4,393	100	3,961	90	2,886	66	322	7	753	17
	1948	4,383	4,266	97	3,578	84	2,601	61	213	5	764	18
	1947	5,030	4,806	96	4,390	91	2,973	62	135	3	1,282	27

	YEAR	US to US	M.T.P. to US	MTP Orig. of U.S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt.P. to Official	Mt.P.Orig. term. in Off.Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Cantelope & Melons	1955	3,188	2,668	84%	2,623	98%	2,020	78%	133	5%	470	18%
	1954	3,619	3,282	91	3,170	97	2,234	68	219	7	717	22
	1953	3,001	2,913	97	2,845	98	2,002	69	192	7	651	22
	1952	3,070	3,047	99	3,013	99	2,136	70	139	5	738	24
	1951	3,245	3,211	99	3,068	96	2,203	69	102	3	763	24
	1950	3,250	3,177	98	3,030	95	2,210	70	159	5	661	21
	1949	3,057	3,001	98	2,803	93	2,006	67	192	6	605	20
	1948	3,114	2,993	96	2,778	93	2,080	69	128	4	570	19
	1947	3,515	3,158	90	3,018	96	2,186	69	73	2	759	24
Lettuce	1955	8,423	7,921	94	7,644	96	4,263	54	841	11	2,540	32
	1954	8,368	7,892	94	7,766	98	4,195	53	701	9	2,870	36
	1953	8,905	8,481	95	8,286	98	4,393	52	996	12	2,897	34
	1952	9,645	9,145	95	8,812	96	4,488	49	727	8	3,597	39
	1951	8,413	8,077	96	7,861	97	3,927	49	972	12	2,962	37
	1950	8,784	8,504	97	8,230	97	4,592	54	825	10	2,813	33
	1949	8,501	8,232	97	7,892	96	4,122	50	674	8	3,096	38
	1948	8,897	8,746	99	8,265	95	4,328	49	662	8	3,275	37
	1947	9,091	8,870	98	8,390	95	4,984	56	564	6	2,842	32
Apples, Fresh, Not Frozen	1955	4,304	4,063	94	3,455	85	1,063	26	463	11	1,929	47
	1954	3,873	3,646	94	3,281	90	1,094	30	501	14	1,686	46
	1953	4,585	4,325	94	3,834	89	1,275	29	681	16	1,876	43
	1952	4,115	3,725	91	3,057	82	738	20	440	12	1,879	50
	1951	5,752	4,996	87	4,332	87	1,364	27	722	14	2,246	45
	1950	6,546	6,115	93	4,186	68	1,479	24	599	10	2,738	45
	1949	5,703	5,222	92	4,283	82	1,374	26	695	13	2,214	42
	1948	7,683	7,038	92	5,852	83	2,206	31	852	12	2,794	40
	1947	9,539	8,019	84	6,129	76	2,352	29	777	10	3,000	37
Fruit, Dried nes	1955	1,217	1,052	86	947	90	653	62	—	—	294	28
	1954	992	923	93	741	80	632	68	36	4	73	8
	1953	1,484	1,446	97	1,001	69	815	56	84	6	102	7
	1952	1,529	1,398	91	1,033	74	735	53	65	5	233	17
	1951	1,791	1,687	94	1,374	81	795	47	356	21	243	14
	1950	2,277	2,068	91	1,658	80	1,151	56	91	4	416	20
	1949	2,994	2,704	90	2,315	82	1,139	42	152	6	924	34
	1948	4,760	4,567	96	2,801	61	1,726	38	114	2	961	21
	1947	3,888	3,613	93	2,061	57	1,084	30	142	4	835	23
Fruit & Berries, Frozen	1955	1,415	1,184	84	1,130	95	633	53	120	10	377	32
	1954	1,623	1,328	82	1,280	96	828	62	69	5	383	29
	1953	1,962	1,610	82	1,433	89	1,007	63	56	3	370	23
	1952	1,516	1,175	78	1,135	97	724	62	77	7	334	28
	1951	756	480	63	452	94	301	63	24	5	127	26
	1950	1,465	1,222	83	1,054	86	583	48			471	39
	1949	1,102	936	85	868	93	489	52	42	4	337	36
	1948	983	631	64	539	85	305	48			234	37
	1947	1,895	987	52	725	73	596	60			129	13

	YEAR	US to US	M.T.P. to US	MTP Orig. of U.S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt.P. to Official	Mt.P.Orig. Term. in Off.Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Fruit fresh, nos, not frozen	1955	1,456	1,324	91%	1,249	94%	741	56%	63	5%	445	34%
	1954	1,005	819	81	806	98	489	60	—	-	317	39
	1953	1,316	1,196	91	1,127	94	820	69	—	-	307	26
	1952	1,290	1,135	88	1,084	96	647	57	14	1	423	37
	1951	1,245	1,102	89	1,029	93	713	65	17	2	299	27
	1950	1,117	833	75	804	97	547	66	14	2	243	29
	1949	1,737	1,325	76	1,311	99	773	58	41	3	497	38
	1948	1,644	1,223	74	1,198	98	765	63	29	2	404	33
	1947	2,221	1,620	73	1,399	86	756	47			643	40
Vegetables, fresh, frozen	1955	3,208	2,383	74	1,980	83	1,365	57	252	11	363	15
	1954	3,225	2,365	73	1,691	72	964	41	199	8	528	22
	1953	3,668	2,857	78	1,986	70	1,348	47	25	1	613	21
	1952	3,058	2,285	75	1,807	79	948	42	189	8	670	29
	1951	2,674	2,008	75	1,147	77	898	45	104	5	543	27
	1950	1,847	1,595	86	1,157	73	602	38	128	8	427	27
	1949	1,969	1,368	69	926	68	746	55	23	2	157	11
	1948	1,611	1,168	73	914	78	677	58	25	2	212	18
	1947	1,431	962	67	777	81	624	65	60	6	93	10
Beans and Peas, dried	1955	7,930	4,056	51	2,055	51	739	18	208	5	1,108	27
	1954	7,846	4,107	52	1,801	44	919	22	270	7	612	14
	1953	9,267	4,070	44	2,046	50	841	21	457	11	748	18
	1952	10,284	3,916	38	2,103	54	824	21	348	9	931	24
	1951	10,901	5,400	50	2,907	54	852	16	348	6	1,707	32
	1950	12,419	6,753	54	3,888	58	1,264	19	537	8	2,087	31
	1949	13,541	6,355	47	3,201	50	1,351	21	360	6	1,490	23
	1948	12,790	6,445	50	3,183	49	861	13	317	5	2,005	31
	1947	13,639	6,906	51	3,149	46	1,056	15	254	4	1,839	27
Celery	1955	3,345	2,133	64	2,048	96	1,580	74	—	-	468	22
	1954	3,357	2,106	63	2,043	97	1,310	62	74	3.5	659	31
	1953	3,115	1,934	62	1,862	96	1,296	67	51	2.6	515	27
	1952	3,152	1,819	58	1,738	96	1,073	59	13	.7	652	36
	1951	3,054	1,772	58	1,693	96	1,051	59	72	4.1	570	32
	1950	2,826	1,723	61	1,618	94	1,095	64	62	3.6	461	27
	1949	2,676	1,499	56	1,369	91	794	53	39	2.6	536	36
	1948	2,763	1,502	54	1,334	89	828	55	22	1.5	484	32
	1947	2,952	1,677	57	1,436	86	887	53	24	1.4	525	31
Peaches, fresh	1955	1,137	1,111	98	1,074	97	268	24	31	3	775	70
	1954	1,406	789	56	721	91	28	4			693	88
	1953	1,564	672	43	662	99	101	15			561	83
	1952	1,845	1,015	55	899	89	222	22			677	67
	1951	1,664	682	41	646	95	163	24			483	71
	1950	1,160	854	74	744	87	249	29			495	58
	1949	1,559	907	58	840	93	191	21			649	72
	1948	1,562	741	47	660	89	87	12			573	77
	1947	2,910	1,096	38	977	89	131	12			846	77

	YEAR	US to US	M.T.P. to US	MTP Orig. of U.S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt. P. to Official	Mt.P.Orig. Term. in Off.Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Vegetables, fresh nos Not frozen	1955	7,291	2,956	41%	2,560	87%	1,771	60%	187	6.0%	602	20%
	1954	7,406	3,434	46	3,062	89	1,990	58	109	3.1	963	28
	1953	7,293	3,703	51	3,362	91	2,133	58	99	2.7	1,130	31
	1952	8,085	4,427	55	4,022	91	2,626	59	146	3.3	1,250	28
	1951	7,458	4,206	56	3,808	91	2,577	61	197	4.6	1,034	25
	1950	8,910	4,477	50	4,003	89	2,650	59	158	3.5	1,195	27
	1949	9,232	4,375	47	3,944	90	2,664	61	219	5.0	1,061	24
	1948	10,535	4,731	45	4,271	90	2,780	59	140	3.0	1,351	29
	1947	12,433	5,894	47	4,978	84	3,360	57	143	2.4	1,475	25
Oranges & Grapefruit	1955	12,503	5,379	43	4,914	91	3,566	66	18	.3	1,330	25
	1954	12,641	4,871	39	4,682	96	3,230	66	58	1.1	1,394	29
	1953	15,709	7,133	45	6,838	96	4,537	64	61	.9	2,240	31
	1952	16,149	6,345	39	5,869	92	3,667	58	120	1.9	2,082	33
	1951	16,688	7,527	45	6,724	89	4,556	61	40	.5	2,128	28
	1950	14,198	6,748	48	6,199	92	4,039	60	40	.6	2,120	31
	1949	15,383	6,007	39	5,551	92	3,542	59	60	1.0	1,949	32
	1948	24,558	9,379	38	8,236	88	5,036	54	116	1.2	3,084	33
	1947	30,671	12,828	42	11,144	87	7,074	55	189	1.5	3,881	30
Onions, dry	1955	3,288	1,984	60	1,551	78	752	38	150	8	649	33
	1954	2,576	1,455	56	1,135	78	539	37	60	4	536	37
	1953	3,212	1,572	49	1,166	74	568	36	90	6	508	32
	1952	3,995	2,145	54	1,423	66	732	34	90	4	601	28
	1951	3,954	2,253	57	1,665	74	715	32	138	6	812	36
	1950	3,962	1,928	49	1,368	71	684	36	60	3	624	32
	1949	4,656	1,881	40	1,121	60	592	32	15	1	514	27
	1948	4,591	1,254	27	675	54	270	22	75	6	330	26
	1947	5,818	2,309	40	1,600	69	675	29	15	1	910	39
Potatoes, other than sweet	1955	36,294	19,001	52	14,018	74	5,249	28	1,392	7	7,377	39
	1954	38,186	18,814	49	13,901	74	4,201	22	1,351	7	8,349	44
	1953	42,824	21,296	50	15,970	75	5,097	24	1,752	8	9,121	43
	1952	38,034	18,759	49	13,067	70	4,553	24	1,277	7	7,237	39
	1951	37,046	18,833	51	13,699	73	3,556	19	1,047	6	9,096	48
	1950	41,790	19,352	46	14,620	76	4,228	22	969	5	9,423	49
	1949	49,602	19,982	40	13,691	69	4,412	22	749	4	8,485	43
	1948	66,763	19,949	30	12,163	61	3,897	20	749	4	7,542	37
	1947	59,535	22,770	38	14,768	65	4,332	19	649	3	9,787	43
Seeds, nos	1955	3,305	1,605	49	1,328	83	378	24	122	8	828	52
	1954	3,715	1,827	49	1,553	85	703	38	363	20	487	52
	1953	3,685	1,705	46	1,198	70	394	23	271	16	533	31
	1952	3,271	1,159	35	859	74	293	25	194	17	372	32
	1951	4,608	2,251	49	1,487	66	340	15	405	18	742	33
	1950	4,821	2,185	45	1,436	66	354	16	435	20	647	30
	1949	4,933	1,551	31	1,042	67	163	11	123	8	756	48
	1948	4,950	1,582	32	1,007	64	245	16	332	21	430	27
	1947	5,471	2,047	37	1,161	57	234	11	333	16	594	29

	YEAR	US to US	M.T.P. to US	MTP Orig. of U.S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt. P. to Official	Mt.P.Orig. Term. in Off.Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Tomatoes	1955	2,491	650	26%	595	92%	366	56%	63	10%	166	26%
	1954	2,346	784	33	734	94	346	44	48	6	340	43
	1953	2,312	880	38	765	87	363	41	65	7	337	38
	1952	2,395	679	28	630	93	335	49	37	5	258	38
	1951	2,268	894	39	705	79	435	49	76	9	294	33
	1950	2,348	633	27	574	91	338	53	51	8	185	29
	1949	2,920	710	24	661	93	360	51	58	8	243	34
	1948	2,951	820	28	654	80	307	37	88	11	259	32
	1947	3,160	877	28	803	92	425	48	60	7	318	36
Barley & Rye	1955	62,699	15,949	25	1,663	10	—	--			1,663	10
	1954	51,810	11,829	23	1,337	11	40	0.3			1,297	11
	1953	42,166	7,292	17	1,979	27					1,979	27
	1952	49,341	8,754	18	1,740	20	101	1.2			1,639	19
	1951	53,244	10,599	20	1,935	18					1,935	18
	1950	49,961	11,384	23	2,632	23					2,632	23
	1949	61,635	11,293	18	4,042	36	42	.3			4,000	35
	1948	57,027	11,966	21	4,760	40	219	1.8			4,541	38
	1947	69,413	15,174	22	6,212	41	47	.3			6,165	41
Wheat	1955	308,245	52,622	17	9,798	19	170	.3			9,628	18
	1954	328,019	62,798	19	17,880	28	39	0.1			17,841	28
	1953	327,818	59,954	18	18,304	31					18,304	31
	1952	366,224	58,095	16	12,144	21					12,143	21
	1951	365,472	65,081	18	15,443	24	106	.2			16,057	25
	1950	289,673	44,432	15	12,828	29	111	.2			12,717	29
	1949	371,781	53,942	15	13,422	25					13,422	25
	1948	420,434	49,381	12	11,041	22	50	.1	45		10,946	22
	1947	445,940	61,766	14	15,278	25	652	1.1	42		14,584	24
Cotton in bales	1955	33,591	8,634	26	3,996	46	181	2.1	2,017	23	1,798	21
	1954	38,554	10,764	28	4,662	43	237	2.2	2,129	20	2,296	21
	1953	40,117	12,471	31	6,798	55	347	2.8	2,949	24	3,502	28
	1952	40,978	12,126	30	5,431	45	184	1.5	2,352	19	2,895	24
	1951	35,555	4,827	14	2,298	48	107	2.2	968	20	1,223	25
	1950	41,329	5,715	14	2,343	41	215	3.7	1,256	22	872	15
	1949	40,098	6,329	16	2,662	42	58	.9	818	13	1,786	28
	1948	31,945	2,988	9	1,448	48	51	1.7	390	13	1,077	34
	1947	35,066	3,451	10	2,331	68	25	.7	838	24	1,468	43
Flour wheat	1955	86,963	9,662	11	1,039	11	270	3	63	.6	706	7
	1954	89,516	9,396	10	866	9	234	2	20	--	612	7
	1953	89,034	10,515	12	1,190	11	235	2	100	1	855	8
	1952	88,159	9,887	11	1,228	12	338	3	130	1	760	8
	1951	93,934	10,591	11	1,412	13	381	3	130	1	901	9
	1950	87,395	9,075	10	1,068	12	272	3	110	1	686	8
	1949	97,512	10,608	11	1,552	15	435	4	205	2	912	9
	1948	113,708	10,764	9	2,234	21	828	8	198	2	1,208	11
	1947	119,755	11,079	9	2,115	19	491	4	390	4	1,234	11

	YEAR	US to US	M.T.P. to US	MTP Orig. of U. S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt. P. to Official	Mt.P.Orig. Term. in Off.Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Prod. of Agri. nos	1955	28,291	2,718	10%	1,355	50%	805	30%	176	6%	374	14%
	1954	29,809	2,762	9	1,286	47	919	33	194	7	173	6
	1953	37,002	2,395	6	1,054	44	627	26	46	2	381	16
	1952	33,707	2,929	9	1,465	50	765	26	248	8	452	15
	1951	31,770	2,655	8	1,260	47	523	20	189	7	548	21
	1950	32,771	2,776	8	1,212	44	536	19	269	10	407	15
	1949	33,408	2,748	8	1,072	39	541	20	259	9	272	10
	1948	31,958	2,187	7	1,181	54	655	30	150	7	376	17
	1947	30,702	3,462	11	1,556	45	839	24	222	6	495	14
ANIMAL PRODUCTS												
	1955	3,931	2,458	63	899	37	108	4	20	.8	771	31
Sheep & Goats D.D.	1954	4,401	2,456	56	1,058	43	108	4	20	.8	930	38
	1953	3,972	2,301	58	1,003	44	120	5	20	.9	863	38
	1952	4,635	2,546	55	1,072	42	148	6	19	.7	905	36
	1951	4,412	2,384	54	957	40	113	5			844	35
	1950	4,339	2,206	51	859	39	31	1			828	38
	1949	5,281	2,560	48	986	39	81	3	10	.4	895	35
	1948	6,431	3,220	50	1,132	35	50	2			1,082	34
	1947	8,359	3,620	43	1,425	39	91	3	10	.3	1,324	37
Cattle &	1955	27,839	6,544	24	2,521	39	91	.6			2,430	37
Calves SD	1954	30,975	7,268	23	2,300	32	45	.6			2,255	31
	1953	31,069	7,002	23	2,335	33	71	1			2,264	32
	1952	29,507	6,348	22	2,107	33	56	.8			2,051	32
	1951	28,796	5,825	20	1,669	29	34	.5			1,635	28
	1950	27,974	6,748	24	1,831	27	51	.8	13	.2	1,761	26
	1949	32,894	7,651	23	3,093	40	110	1.4			2,983	39
	1948	36,700	7,808	21	2,217	28	81	1	11	.1	2,125	27
	1947	50,515	9,076	18	2,079	23	40	.4			2,039	22
Wool & Mohair,	1955	1,964	444	23	377	85	377	85			—	—
in grease	1954	2,097	508	24	394	78	362	71			32	6
	1953	3,304	678	21	613	90	598	88			15	2
	1952	2,347	413	18	388	94	371	90			17	4
	1951	2,234	714	32	580	81	526	74			54	8
	1950	3,853	1,005	26	768		744	74			24	2
	1949	2,463	373	15	275	74	238	64			37	10
	1948	4,319	714	17	567	79	538	75			29	4
	1947	4,473	594	13	462	78	433	73			29	5
Poultry, dressed	1955	775	304	39	282	93	241	79	—	—	41	13
& frozen	1954	1,018	336	33	296	88	190	57	23	6.8	83	25
	1953	1,434	380	26	238	63	147	39			81	21
	1952	1,807	564	31	464	82	407	72	18	3	39	7
	1951	1,736	435	25	276	63	198	46			78	18
	1950	1,770	423	24	241	57	133	31	31	7	77	18
	1949	1,713	389	23	304	78	200	51			104	27
	1948	2,348	416	18	311	75	202	49			109	26
	1947	3,678	434	12	316	73	208	48			108	25

	YEAR	US to US	M.T.P. to US	MTP Orig. of U. S. Total	Mt. P. To Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt. P. to Official	Mt.P.Orig. Term. in Off.Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Hides, skins & pelts nos	1955	9,198	1,466	16%	1,183	81%	824	56%	41	3%	318	22%
	1954	9,068	1,200	13	788	66	551	46	86	7	151	13
	1953	7,714	755	10	622	82	457	61	34	5	131	17
	1952	6,290	853	14	727	85	456	53	37	4	234	27
	1951	6,741	970	14	787	81	570	59	82	8	135	14
	1950	7,235	728	10	587	81	548	75			39	5
	1949	7,794	1,113	14	918	82	660	59	37	3	221	20
	1948	7,781	909	12	808	89	479	53	124	14	205	23
	1947	8,960	1,068	11	873	87	617	61	105	10	151	15
Animals & Prod. nos	1955	17,980	—	0	—	—	—	—			—	—
	1954	19,082	476	2	181	38	30	6			151	.32
	1953	20,338	530	3	154	29					154	29
	1952	20,695	469	2								
	1951	21,809	588	3	151	26	67	11			84	14
	1950	22,097	575	3	209	36	153	27			56	10
	1949	19,930	763	4	252	33	163	21	30	4	59	8
	1948	18,124	1,115	6	536	48	368	33			168	15
	1947	19,207	830	4	515	62	277	33			238	29
Veneer, Plywood & Built up wood	1955	31,990	27,427	86	19,615	72	10,402	38	1,934	7	7,309	27
	1954	26,377	22,180	84	15,084	68	8,126	37	1,772	8	5,516	25
	1953	24,517	20,500	84	13,923	68	7,112	35	1,433	7	5,378	26
	1952	21,913	17,195	78	11,647	68	5,718	34	1,584	9	4,345	25
	1951	20,714	15,139	73	10,602	70	5,241	35	983	6	4,378	29
	1950	18,890	13,503	71	9,388	70	4,909	37	823	6	3,656	27
	1949	13,352	10,028	75	6,722	67	3,138	32	636	6	2,948	29
	1948	13,101	8,859	68	4,813	54	2,345	26	336	4	2,132	24
	1947	15,550	8,762	56	5,253	60	2,766	32	534	6	1,953	22
Lumber Shingles & Lath	1955	255,035	162,327	64	114,774	71	44,587	27	5,350	3	64,837	40
	1954	240,550	157,280	65	112,674	72	42,397	27	4,329	3	65,948	42
	1953	259,692	154,840	60	102,644	66	40,874	26	3,476	2	58,294	38
	1952	270,237	151,231	56	101,424	67	39,461	26	2.559	2	59,404	39
	1951	280,123	143,186	51	91,590	64	35,046	24	2,583	2	53,961	38
	1950	294,326	148,101	50	93,684	63	33,047	22	1,888	1	58,749	40
	1949	251,285	127,244	51	79,147	62	30,246	24	1,257	1	47,644	37
	1948	309,337	141,504	46	76,406	54	30,764	22	1,202	1	44,440	31
	1947	344,146	148,845	43	77,799	52	30,141	20	1,392	1	46,266	31
Building woodwork and millwork	1955	7,328	2,802	38	2,507	89	1,258	45	474	17	775	28
	1954	5,428	2,050	38	1,729	84	704	34	414	20	611	30
	1953	5,880	2,447	42	1,974	81	824	34	438	18	712	29
	1952	5,514	2,030	37	1,780	88	998	49	173	9	609	30
	1951	5,791	2,114	37	1,739	82	856	41	280	13	602	28
	1950	5,982	2,699	45	2,238	83	781	29	407	15	1,050	39
	1949	5,957	2,833	48	2,241	79	1,033	37	405	14	803	28
	1948	6,021	2,534	42	2,245	89	1,071	43	315	12	859	34
	1947	6,553	3,339	51	2,644	79	1,176	35	279	8	1,189	36

	YEAR	US to US	M.T.P. to US	MTP Orig. of U. S. Total	Mt. P. to Terr. E.Mt.P.	Mt. P.Orig. Term. E. of Mt. P.	Mt. P. to Officiel	Mt.P.Orig. Term. in Off.Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P. to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Wood Pulp	1955	37,913	10,423	27%	9,362	90%	5,982	57%	995	10%	2,385	23%
	1954	34,944	9,315	27	8,376	90	5,886	63	832	9	1,658	18
	1953	34,369	10,303	30	9,175	89	6,050	59	550	5	2,575	25
	1952	32,796	9,358	29	8,904	95	6,830	73	792	8	1,282	14
	1951	36,208	9,725	27	8,755	90	6,229	64	972	10	1,554	16
	1950	33,469	9,969	30	9,490	95	6,449	65	1,108	11	1,933	19
	1949	22,976	6,264	27	5,967	95	3,305	53	554	8	2,108	34
	1948	31,521	8,857	28	7,349	83	5,287	60	416	4	1,646	19
	1947	36,134	7,573	21	7,028	93	5,084	67	701	9	1,243	16
Post Poles & Piling	1955	32,489	4,610	14	925	20	68	1.5	—	—	857	19
	1954	28,128	4,391	16	1,196	27	24	.5			1,172	27
	1953	32,849	4,740	15	1,273	27	53	1.1			1,220	26
	1952	37,193	6,633	18	1,922	29	50	.8	46	.7	1,826	28
	1951	37,968	6,002	16	1,565	26	183	3			1,382	23
	1950	42,467	6,844	16	1,891	28	99	1.4			1,792	26
	1949	38,717	7,142	18	1,899	27	91	1.2			1,808	25
	1948	40,429	7,847	19	2,477	32	82	1			2,395	31
	1947	53,585	10,827	20	2,943	27	319	3			2,624	24
MANUFACTURES & MISC.												
	1955	4,962	4,595	93	3,350	73	2,211	48	162	4	977	21
Wine	1954	5,315	4,929	93	3,470	70	2,091	42	318	6	1,061	22
	1953	6,085	5,823	96	4,085	70	2,651	46	233	4	1,201	21
	1952	5,538	5,316	96	3,948	74	2,721	51	206	4	1,021	19
	1951	5,033	4,759	95	3,630	76	2,401	50	316	7	913	19
	1950	6,606	6,248	95	4,700	75	3,297	53	133	2	1,270	20
	1949	5,081	4,844	95	3,458	71	2,536	52	210	4	712	15
	1948	6,322	5,947	94	4,327	73	3,361	57	111	2	855	14
	1947	6,243	5,849	94	4,611	79	3,192	55	135	2	1,284	22
Aluminum, bar, ingot pig & slab	1955	11,604	5,410	47	3,337	62	1,320	24	325	6	1,692	31
	1954	12,894	7,042	55	4,946	70	1,541	22			3,405	48
	1953	10,014	5,747	57	3,934	68	2,264	39	197	3	1,473	26
	1952	6,733	3,102	46	1,428	46	682	22	50	2	696	22
	1951	4,948	3,448	70	1,396	40	285	8			1,111	32
	1950	5,072	3,319	65	1,839	55	636	19	95	3	1,108	33
	1949	3,854	2,464	64	1,314	53	658	27	309	13	347	14
	1948	4,273	2,849	67	1,375	48	561	20	54	2	760	27
	1947	5,203	2,328	45	1,803	77	750	32	332	14	721	31
Copper, Ingot, Matte & Pig	1955	12,729	7,160	56	3,255	45	2,924	41	—	—	331	5
	1954	11,745	5,939	51	2,873	48	2,444	41	58	.9	371	6
	1953	8,394	3,255	39	2,851	88	2,681	82			170	5
	1952	6,630	2,658	40	2,318	87	2,202	83			116	4
	1951	7,463	2,528	34	2,288	91	2,073	82			215	9
	1950	8,420	3,355	40	2,487	74	2,236	67			251	7
	1949	7,047	3,185	45	1,994	63	1,887	59			107	3
	1948	6,894	3,177	46	2,258	71	2,091	66			167	5
	1947	8,219	4,012	49	2,420	60	2,364	59			56	1

	YEAR	US to US	M.T.P. to US	MTP Orig. of U. S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt. P. to Official	Mt.P.Orig. term. in Off, Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P.to WTL & S.W.	Mt. P. Orig. term.in WTL & SW.
Vegetable & Nut oils, nos	1955	5,023	1,968	39%	1,632	83%	501	25%	91	5%	1,040	53%
	1954	4,441	1,426	32	1,061	74	301	21	92	6	668	47
	1953	5,156	1,914	37	1,635	85	591	31	61	3	983	51
	1952	4,532	1,742	38	1,320	76	298	17	30	2	992	57
	1951	6,012	1,816	30	1,301	72	341	19	31	2	929	51
	1950	6,427	2,234	35	1,736	79	630	28	92	4	1,014	45
	1949	5,117	1,821	36	1,540	85	595	33	30	2	915	50
	1948	6,518	2,301	35	2,004	87	1,027	45			977	42
	1947	8,087	2,573	32	2,328	90	1,411	55			917	36
Lead & Zinc Bar, Ingot & Pig	1955	20,180	5,582	28	4,499	81	1,554	28	—	-	2,945	53
	1954	17,567	4,890	28	4,434	91	1,780	36	—	-	2,654	54
	1953	18,251	5,382	29	4,561	85	1,578	29	50	.9	2,933	54
	1952	18,380	4,328	24	3,704	86	1,035	24			2,669	62
	1951	17,786	5,115	29	4,121	81	1,142	22			2,979	58
	1950	19,829	5,483	28	4,634	83	1,729	32			2,905	53
	1949	15,583	4,674	30	3,731	80	1,664	36			2,067	44
	1948	19,376	5,289	27	4,688	85	2,361	45			2,327	44
	1947	18,537	4,549	25	3,727	82	1,805	40			1,922	42
Aluminum nos	1955	4,899	1,714	35	1,382	81	602	35	182	11	598	35
	1954	3,759	1,203	32	872	72	409	35	90	7	373	31
	1953	4,015	1,325	33	976	74	517	39	57	4	402	30
	1952	4,074	1,287	32	1,164	90	521	40	110	9	533	41
	1951	4,075	1,082	27	644	60	264	24	49	5	331	31
	1950	4,104	1,334	33	1,022	77	565	42	135	10	322	24
	1949	3,607	812	23	616	76	358	44	42	5	216	27
	1948	5,510	1,216	22	1,060	87	556	46	62	5	442	36
	1947	5,923	1,179	20	687	58	230	20	75	6	382	32
Canned Goods	1955	109,334	31,001	28	19,558	63	7,500	24	1,934	6	10,124	33
	1954	110,090	28,891	26	15,900	55	4,499	16	1,795	6	9,606	33
	1953	105,959	27,225	26	14,242	52	5,082	19	1,782	7	7,378	27
	1952	103,315	27,707	27	13,618	49	4,891	18	1,692	6	7,035	25
	1951	104,241	28,940	28	14,790	51	5,806	20	2,024	7	6,960	24
	1950	100,021	26,556	27	15,115	57	5,757	22	1,881	7	7,477	28
	1949	104,110	27,481	26	14,075	51	6,649	24	2,139	8	5,287	19
	1948	118,539	28,931	24	15,241	53	7,780	27	1,599	6	5,862	20
	1947	123,624	32,207	26	18,187	56	8,157	25	2,192	7	7,838	24
Sugar	1955	53,830	11,609	22	5,971	51	273	2.3			5,698	49
	1954	57,599	14,487	28	7,998	55	495	3.			7,503	52
	1953	61,373	12,047	20	5,801	48	40	.3			5,761	48
	1952	56,052	11,481	20	5,445	47	40	.3			5,405	47
	1951	46,780	10,352	22	5,178	50					5,178	50
	1950	51,729	11,992	23	6,720	56	204	1.7			6,516	54
	1949	52,909	13,624	26	6,729	49	277	2			6,452	47
	1948	63,357	14,093	22	6,413	46	50	.4			6,363	45

PRODUCTS OF MINES	YEAR	US to US	M.T.P. to US	MTP Orig. of U. S. Total	Mt. P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt. P. to Official	Mt.P.Orig. term. in Off. Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P.to WTL & S.W.	Mt.P.Orig. term.in WTL & SW.
Copper Ore & Concentrates	1955	69,522	68,358	98%	171	.2%	171	.2%		%		%
	1954	43,907	42,758	97								
	1953	77,709	76,482	98								
	1952	42,629	40,975	96	90	.2	90	.2				
	1951	33,086	32,523	98	51	.2	51	.2				
	1950	41,246	40,478	98	0	0						
	1949	24,228	23,604	97	0	0						
	1948	26,044	25,527	98	0	0						
	1947	18,893	18,308	97	61	.3					61	.3
Lead Ore & Concentrates	1955	9,693	7,051	73	—							
	1954	9,406	6,592	70								
	1953	8,981	5,630	63								
	1952	9,064	6,288	69	50	.7					50	.8
	1951	9,614	6,615	69		0						
	1950	8,008	5,332	67	0	0						
	1949	9,894	5,876	59	0	0						
	1948	8,314	5,419	64	48	1					48	.8
	1947	9,222	5,947	64	0	0						
Zinc Ore & Concentrates	1955	13,001	2,847	22	931	33					931	33
	1954	14,568	2,964	20	786	27					786	27
	1953	17,981	3,695	21	1,248	34					1,248	34
	1952	19,888	7,054	35	2,874	41	60	.9			2,814	40
	1951	19,479	6,167	32	2,659	43	112	1.8			2,547	41
	1950	17,987	4,726	26	2,377						2,377	50
	1949	16,669	4,426	26	2,013	45	44	1			1,969	44
	1948	18,112	4,607	25	2,536	55	440	10			2,096	45
	1947	23,359	8,113	35	2,769	34	108	1			2,661	33
Ores & Concentrates nos	1955	57,750	11,959	21	3,418	29	2,223	19	178	1.4	1,017	9
	1954	54,654	12,140	22	2,431	20	1,868	15	69	.5	494	4
	1953	64,889	11,849	18	2,750	23	1,759	15	186	2	805	7
	1952	47,439	11,046	23	1,797	16	1,198	11			599	5
	1951	41,082	9,010	22	1,870	21	1,123	12			747	8
	1950	44,512	11,411	26	2,169	19	982	9	80	.7	1,107	10
	1949	51,382	10,710	21	2,163	20	948	9			1,215	11
	1948	52,575	14,835	20	2,146	14	1,231	8			915	6
	1947	65,165	15,383	24	2,565	17	1,563	10	124	.8	878	6
Petroleum crude	1955	28,094	10,983	39	7,276	66					7,276	66
	1954	39,108	11,832	31	5,915	50					5,915	50
	1953	38,142	8,824	23	2,946	33					2,946	33
	1952	31,746	10,987	35	3,297	30					3,297	30
	1951	47,224	10,264	22	4,232	41	37	.4			4,195	41
	1950	45,656	11,842	26	4,351	37					4,351	37
	1949	48,485	7,600	16	901	12					901	12
	1948	134,053	15,015	11	7,663	51	381	3			7,282	48
	1947	89,388	13,524	15	6,433	48	223	2			6,210	46

	YEAR	US to US	M.T.P. to US	MTP Orig. of U. S. Total	Mt, P. to Terr. E.Mt.P.	Mt.P.Orig. Term. E. of Mt. P.	Mt. P. to Official	Mt.P.Orig. term. in Off. Terr.	Mt. to Southern	Mt.P.Orig. term.in Southern	Mt.P.to WTL & a S.W.	Mt.P.Orig. term.in WTL & SW.
Asphalt	1955	38,767	7,331	19%	3,584	49%	310	4%	50	.7%	3,224	44%
	1954	40,537	7,437	18	3,311	45	333	4	40	.5	2,938	40
	1953	47,301	6,974	15	3,333	48	338	5	34	.5	2,961	42
	1952	53,765	8,624	16	3,815	44	286	3			3,529	41
	1951	54,703	9,015	16	4,639	51	359	4			4,280	47
	1950	54,371	8,085	15	3,591	44	165	2			3,426	42
	1949	55,784	8,790	16	3,500	39	167	2			3,333	38
	1948	65,055	10,880	17	4,354	40	449	4			3,905	36
	1947	67,999	12,878	19	5,115	40	352	3			4,763	37
Gasoline	1955	97,133	21,365	22	569	3					569	3
	1954	104,024	20,024	19	834	4					834	4
	1953	106,225	19,619	18	1,100	6					1,110	6
	1952	114,496	18,781	16	1,567	8					1,567	8
	1951	117,508	17,500	15	2,289	13					2,289	13
	1950	116,543	16,583	14	2,456	15					2,456	15
	1949	127,051	17,625	14	1,626	9	21	.1			1,605	9
	1948	147,252	18,948	12	1,857	10					1,857	10
	1947	187,549	21,016	11	1,761	8					1,761	8
Clay & Bentonite	1955	103,823	11,816	11	4,871	41	1,678	14	215	2	2,979	25
	1954	94,037	11,074	12	4,943	45	1,531	14	146	1	3,266	29
	1953	100,798	13,103	13	4,617	35	1,660	13	196	1	2,761	21
	1952	89,891	9,310	10	3,300	35	1,178	13	252	3	1,870	20
	1951	96,744	10,272	11	3,186	31	1,738	17			1,448	14
	1950	87,284	8,530	10	3,004	35	1,149	13	180	2	1,675	20
	1949	82,911	9,159	11	2,967	32	1,276	14	228	2	1,463	16
	1948	86,566	9,581	11	3,746	38	1,381	14	256	3	2,109	22
	1947	73,079	9,146	13	3,472	38	1,089	12	149	2	2,234	24

[fol. 441]

SECTION NO. 3

EFFECT OF CUMULATIVE PERCENTAGE INCREASES IN FREIGHT RATES SINCE JUNE 30, 1946

versus

MAXIMUM INCREASES OR HOLD-DOWNS IN ALTERING RATE DIFFERENTIAL OR RELATIONSHIPS

CUMULATIVE EFFECT OF STRAIGHT PERCENTAGE INCREASE IN FREIGHT RATES SINCE JUNE 30, 1946 IN ALTERING RATE DIFFERENTIALS OR RELATIONSHIPS USING ASSUMED RATES WITHOUT MAXIMUM OR HOLD DOWNS AND BASED ON GENERAL INCREASES AUTHORIZED FROM TRANSCONTINENTAL AND WESTERN TRUNK LINE TERRITORY TO OFFICIAL TERRITORY

(Rates in center per 100 pounds)

Proceeding	Effective Date of Final Increase	Percent of Final Increase	Transcontinental	Midwest (Zone I-WTL)	Differential	Increase in Differential	Percent of Increase in Differential
Basic Rates	6/30/46	-	200**	100**	100	-	-
EX PARTE No. 162	1/1/47	22½%	245	123	122	22	22%
EX PARTE No. 166	8/2/48	25%	306	154	152	52	52%
EX PARTE No. 168	9/1/49	9%	334	168	166	66	66%
EX PARTE No. 175	5/2/52	15%	384	193	191	91	91%
EX PARTE No. 196	3/7/56	6%	407	205	202	102	102%
EX PARTE No. 206	12/28/56 (Interim)	5%	427	215	212	112	112%
EX PARTE No. 206	(Proposed)	22%	497	250	247	147	147%

** Assumed base rates to which General Increases are added in accordance with applicable master tariffs of increases rates and charges and fractions disposed of in accordance with Tariff Rules.

CHANGES IN RATE RELATIONSHIPS OR DIFFERENTIALS BETWEEN JUNE 30, 1946 AND JANUARY 1, 1957 ON REPRESENTATIVE COMMODITIES MOVING FROM MOUNTAIN PACIFIC TERRITORY TO EASTERN MARKETS

(Rates in cents per 100 lbs.)

Commodity	FROM	TO	Base Rate 6/30/46	* Present Rate 1/1/57	Increase Amount	Increase Percent	Rates Proposed by Petition filed Jan. 11, '57	Increase Amount	Increase Percent
Apples	Yakima, Wash.	New York, N. Y.	(1) 135	(2) 217	82	61%	237	102	76%
	Charlotteville, Va.	" "	(3) 35	(4) 79	44	126%	90	55	157%
	Differential		100	138	38	38%	147	47	47%
Canned Goods	Salem, Oregon	New York, N. Y.	(5) 102	(6) 189	87	85%	209	107	105%
	Green Bay, Wis.	" "	(7) 51	(8) 86	35	69%	98	47	92%
	Differential		51	103	52	102%	111	60	118%
Flour Wheat	Spokane, Wash.	" "	(9) 97½	(10) 172	74½	76%	199	101½	104%
	Alton, Illinois	" "	(11) 38⅝	(12) 76	37⅜	97%	88	49⅜	129%
	Differential		59	96	37	63%	111	52	88%
Lumber	Portland, Oregon	Chicago, Ill.	(13) 75½	(14) 134½	59	78%	146½	71	94%
	Hattiesburg, Miss.	" "	(15) 40	(16) 85	45	113%	99	59	148%
	Differential		35½	49½	14	39%	47⅛	12	34%
Nuts, edible	Portland, Oregon	New York, N. Y.	(5) 135	(6) 226	91	67%	267	132	98%
	Albany, Ga.	" "	(17) 78	(18) 123	45	58%	143	65	83%
	Differential		57	103	46	81%	124	67	118%
Oranges	Los Angeles, Cal.	" "	(19) 135	(20) 198	63	47%	218	83	61%
	Lake Wales, Fla.	" "	(21) 69	(22) 122	53	77%	142	73	106%
	Differential		66	76	10	15%	76	10	15%

[fol. 444]

Section 3
Page 3 of 3 pages

Commodity	FROM	TO	Base Rate 6/30/46	* Present Rate 1/1/57	Increase Amount	Increase Percent	Rates Proposed by Petition & Filed Jan. 11, '57	Increase Amount	Increase Percent
Sugar	San Francisco, Cal.	Chicago, Ill.	(23) 70	(4) 117	47	67%	129	59	84
	New Orleans, La.	" "	(24) 40	(25) 85	45	113%	99	59	148
	Differential		30	32	2	7	30	0	0
Wood Pulp	Tacoma, Wash.	Kalamazoo, Mich.	(5) 55	(6) 110	55	100%	128	73	133%
	Crosset, Ariz.	" "	(26) 37	(27) 77	40	108%	89	52	141
	Differential		18	33	15	83	39	21	117
Wool (in bags)	Pendleton, Ore.	Boston, Mass.	(28) 233	(29) 348	115	49%	404	171	73%
	Sioux City, Iowa	" "	(30) 135	(31) 230	95	70%	267	132	98
	Differential		98	118	20	20	137	39	40

* Includes Ex Parte 206 Interim Increases

Tariff Authorities

(1) T.C.F.B. Tariff 43-J Agent L. E. Kipp's ICC No. 1496
(2) T.C.F.B. Tariff 44-K Agent W. J. Prueter, ICC No. 1577
(3) Exhibit P-19 in Docket Ex Parte 175. Witness Folk
(4) C. & O. Ry. Co., Freight Tariff 327-K
(5) T.C.F.B. Tariff No. 2 - O, Agent L. E. Kipp's ICC No. 1513
(6) T.C.F.B. Tariff No. 2 - V, Agent W. J. Prueter, ICC No. 1574
(7) Per Agent B. T. Jones, ICC No. 3642
(8) " " C. W. Boin, ICC No. A-1105
(9) T.C.F.B. Tariff No. 45-E, Agent L. E. Kipp No. 1510
(10) T.C.F.B. Tariff No. 45-I, Agent W. J. Prueter, ICC No. 1577
(11) C.F.A. Tariff 245-F, ICC No. 3055
(12) C.F.A. Tariff 245-H, ICC No. 4403
(13) T.C.F.B. Tariff No. 28-O, Agent L. E. Kipp, ICC No. 1545
(14) T.C.F.B. Tariff No. 28-S, Agent W. J. Prueter, ICC No. 1581
(15) Exhibit K. C. Pyne No. 2 in Ex Parte 206. Witness batchelder
(16) S.F.A. Tariff 755-B
(17) S.F.A. Tariff No. 772-A, ICC No. 867G, C. A. Spaninger, Agent
(18) Exhibit - KC - Boat 23 - in Ex Parte 206 Witness Mayfield
(19) T.C.F.B. Tariff No. 44-K, Agent L. E. Kipp, ICC No. 1508
(20) T.C.F.B. Tariff No. 44-M, Agent W. J. Prueter, ICC No. 1577
(21) S.F.A. Tariff No. 782, ICC No. 642, C. A. Spaninger, Agent
(22) S.F.A. Tariff No. 782-A, ICC No. 1211, C. A. Spaninger, Agent
(23) T.C.F.B. Tariff No. 3-S, Agent L. E. Kipps, ICC No. 1519
(24) S.F.A. Tariff No. 752, Agent C. A. Spaninger, ICC No. 143
(25) N.C.F.T.B. Tariff No. 1-W, Agent W. P. Emerson
(26) S.W.L. Tariff No. 121-B, ICC 3901
(27) S.W.L. Tariff No. 121-C, ICC 4114
(28) T.C.F.B. Tariff No. 33-H, Agent L. E. Kipp, ICC No. 1533
(29) T.C.F.B. Tariff No. 33-I, Agent W. J. Prueter, ICC No. 1539
(30) W.T.L. Tariff No. 172-G, Agent L. E. Kipp, ICC No. A-3730
(31) W.T.L. Tariff No. 172-H, Agent W. J. Prueter, ICC A-3776

[fol. 445]

Section 4

STATEMENT SHOWING RAIL DOCKET PROPOSALS FOR REDUCTIONS TO MEET MOTOR COMPETITION

[fol. 446]

Section 4
Page 1 of 14 Pages

STATEMENT SHOWING RAIL DOCKET PROPOSALS FOR REDUCTIONS TO MEET MOTOR COMPETITION
(March 1956-February 1957)

Carrier Proposals on Joint NPCFB, PSCFB and NPCFB Dockets

J. P. Haynes and W. R. Watson
(Emphasis Supplied)

JT-4048 (C) SOAP and other articles (II 5280 to 5310 PSFB Trf 2-L) San Francisco and Los Angeles, California. Grp. pts. to Montana Pro. for reduction rates *to meet reduced truck rates.*

JT-4817 (C) IRON or Steel articles viz: PSFB Trf. 1-S Items 4945-S and 10250-K between San Francisco, California and Portland, Oregon. *Proposal to meet reduced truck rates.*

JT-4818 (C) NUTS edible, shelled, NOIBN (Nut Meats) Item 7920-K PSFB Trf 1-S between San Francisco, Los Angeles and Portland. *Proposal to meet reduced truck rates.*

JT-4819 (C) PAINTS, paint material putty. Item 8770-R PSFB Trf 1-S between San Francisco (Group 15) and Groups 26, 27, 30 to 36 and Baker, Oregon. *Proposal to meet reduced truck rates.*

JT-4820 (C) IRON or steel articles viz: castings or forgings, NOIBN; plate or sheet NOIBN between San Francisco, Fresno, Los Angeles and Portland, Oregon and Seattle, Washington. *Proposal to meet reduced truck rates.*

JT-4821 (C) BOILER cleansing, preserving, scale preventing or scale removing. Item 4721 PSFB Trf 1-S between San Francisco and Corvallis, Portland, Oregon and Vancouver, Washington. *Proposal to meet reduced truck rates.*

JT-4822 (C) CABLE, electric, aluminum. Item 10490 PSFB Trf 1-S between Vancouver, Washington and San Jose, Soledad, Fresno, Bakersfield and Los Angeles, California. *Proposal to meet truck rates.*

JT-4823 (C) CARPETS. Item 4960-U PSFB Trf. 1-S between San Francisco and Portland, Oregon. *Proposal to meet truck rates.*

[fol. 447]

Section 4
Page 2 of 14 Pages

JT-4824 (C) MOTORS, electric and transformers, NOIBN Item 4465-D, 7630-T PSFB Trf 1-S between San Francisco and Groups 26, 27 (Portland) and 28 (Seattle). *Proposal to meet truck rates.*

JT-4825 (C) CANNED goods and other articles, item 4837-Y PSFB 1-S between San Francisco, Los Angeles, and Groups 26, 27 (Portland) 28 (Seattle). Between Santa Rosa and Groups 30-36. *Proposal to meet truck rates.*

JT-4826 (C) SODA, caustic etc. Item 9830 PSFB Trf 1-S between Los Angeles Group and Seattle Group. *Proposal to meet truck rates.*

JT-4827 (C) SOAP and other articles Item 9792-B PSFB 1-S between Groups 15 (San Francisco) and Group 16 (Port Chicago) to Groups 26, 27 (Portland). *Proposal to meet truck rates.*

JT-4828 (C) STARCH NOIBN Item 9928 PSFB 1-S from San Francisco and Los Angeles to Raugust, Washington. *Proposal to meet truck rates.*

JT-4830 (C) SODIUM Hypochlorite Solution Item 9792-B PSFB 1-S from Group 15 (San Francisco) to Group 26, 27 (Portland. *Proposal to meet truck rates.*

JT-5074 PAPER, paper articles Item 8870 PSFB 1-S from Portland and West Linn, Oregon to Eureka, California. *Proposal to meet truck rates.*

JT-5075 ROOFING and other articles Item 9540-2 PSFB Trf 1-S between Portland, Oregon and San Francisco, California. *Proposal to meet truck rates.*

JT-5076 BAKERS goods viz: biscuits, cookies, crackers, cracker meal, matzos, pretzels or toast in packages. From Portland to San Diego, California. *Proposal to meet truck rates.*

JT-5077 ALUMINUM, pig or ingots Item 4353-F PSFB 1-S from Portland to San Francisco and Santa Rosa, California. *Proposal to meet truck rates.*

JT-5152 CAUSTIC Soda (Sodium Hydroxide) Item 9749½ PSFB Trf 1-S. *Proposal to meet truck rates.*

XJT-5190 BOILERS, range—Heaters, water, between San Francisco (Groups 1 & 4) and Groups 40 and 45. *Proposal to meet truck rates.*

XJT-5210 ALUMINUM Billets, blooms and slabs Between Group 40 (Portland) and California Groups 1, 4, 8, 12, 20 and 21. *Proposal to meet truck rates.*

Section 4
Page 3 of 14 Pages

[fol. 448]

XJT-5233 BUTTER, Substitutes or shortening between Groups 45 (Seattle) and Groups 1 & 4 (San Francisco) *Proposal to meet truck rates.*

JT-4916 (C) SOAP and other articles Item 2490 PSFB 295 Item 2490 PSPB 295 between California and North Coast. *Proposal to meet truck rates.*

XJT-5821 (C) BAKERY goods between Grp 20 (Los Angeles) and Washington points and Lewiston, Idaho. *Proposal to meet truck rates.*

XJT-5282 (C) DESSERT preparations dry, other than frozen. Between Grp. 20 (Los Angeles) and Western Washington and Idaho points. *Proposal to meet truck rates.*

XJT-5284 (C) PAPER articles between Groups 1 and 4 (San Francisco) to Group 40 (Portland) Group 45 (Seattle), Longview and Kelso, Washington. *Proposal to meet truck rates.*

JT-4919 (C) CANNED goods, etc. from San Francisco (Groups 1 & 4) to North Coast Group points. *Proposal to meet truck rates.*

XJT-4923 (C) BATTERIES, electric storage assembled, NOIBN between Seattle and Portland Groups and San Francisco, Los Angeles

groups and Santa-Anaheim. *Proposal to meet truck rates.*

XJT-4924 (C) PIPE fittings, iron or steel cast or wrought, between Seattle Portland Groups and San Francisco, Los Angeles Groups. *Proposal to meet truck rates.*

XJT-4933 (C) FURNITURE parts viz: chair or table legs, wooden, in the white. From Seattle (Group 45) to San Francisco (Grps 1 & 4) and Los Angeles (Group 20). *Proposal to meet truck rates.*

JT-4955 (C) SWITCHBOARDS or parts thereof. Between San Jose (Grp. 12) and Portland (Group 40) and Seattle (Grp. 45). *Proposal to meet truck rates.*

JT-5034 (C) FISH Meal. From British Columbia to California. *Proposal to meet truck rates.*

XNC-5871 (C) CANNED goods (NPCFB Trfs 3 & 92) Between Spokane, Washington and Montana. *Proposal to meet truck rates.*

XNC-5884 (C) BOILERS, range and heaters water (It. 4070, UP Trf 5100 B) Between Portland Seattle groups and Southern Idaho points. *Proposal to meet truck rates.*

[fol. 449]

XNC-5885 (C) BOARDS or sheets (It 3892, UP Trf 6074-L). From Pilot Rock, Oregon to Southern Idaho points. *Proposal to meet truck rates.*

XNC-5892 (C) HIDES etc, green (It 3380 UP Trf 5100-B). Between Portland-Seattle and Eastern Oregon and Southern Idaho. *Proposal to meet truck rates.*

XNC-6412 (C) ROOFING and other articles (Item 680, NPCFB 129-A; Item 1215 NPCFB 90-J; Item 795 UP 5100-B; Item 1690-K, SP 1482; SP&S 1115-C; Item 545, OE 322-D; Item 3130-3140 inclusive UP 6074-L) Between points named in the foregoing items. *Proposal to meet truck rates.*

XNC-6413 (C) GROCERIES, Grocery Supplies and other Articles, (Item 620, NPCFB 129-A; Item 1170, NPCFB 90-J; Item 715, UP 5100-B; Item 405, UP 6074-L; Item 1730-V, SP 1482.) Between points named in the foregoing items. *Proposal to meet truck rates.*

XNC-6416 (C) BUILDING Metalwork (Item 7635 and 7640 of WC.) Between Portland, Oregon and Seattle and Tacoma, Washington. *Proposal to meet truck rates.*

XNC-6418 (C) MACHINERY, (Item 2240, 4380, 7420, NPCFB 90-J) Between points named in foregoing items. *Proposal to meet truck rates.*

XNC-6419 (C) ALUMINUM articles viz: Blanks, stampings or unfinished shapes, NOIBN, nested or flat, or extrusions, NOIBN, in packages. Between Portland, Oregon and Everett, Washington. *Proposal to meet truck rates.*

XNC-6420 (C) JUICE, citrus fruit, other than frozen in inner containers, in boxes or crates. Chehalis, Washington to Oregon and Washington. *Proposal to meet truck rates.*

XNC-6423 (C) GROCERIES (Commodity Group 13) also soap and soap powders (Commodity Group 17,) (Item 2800-C, NBCFB 129-A.) Between Eastern Oregon and Eastern

Washington and Coast. *Proposal to meet truck rates.*

XNC-6424 (C) PAPER or paper articles, (Item 3200 C, NPCFB 129A.) Between Trentwood and Spokane, Washington and Coast. *Proposal to meet truck rates.*

XNC-6425 (C) APPLE Juice, canned, (Item 4060, NPC FB 90-J) Wenatchee, Washington to Portland, Oregon. *Proposal to meet truck rates.*

XNC-6430 (C) CASTINGS, aluminum, NOIBN, Yakima, Washington to Coast. *Proposal to meet truck rates.*

[fol. 450]

XNC-6434 (C) MACHINERY, heavy. (Item 1360-G, SP 1482.) Between Portland and Coos Bay, Coquille, Myrtle Point, Ore. *Proposal to meet truck rates.*

XNC-6436 (C) CLOTHING, viz: Gloves or Mittens, NOIBN, (SP) 1482) Between Portland and Carlton, Ore. *Proposal to meet truck rates.*

XNC-6437 (C) SYRUP, flavoring or fruit, between Portland and Medford, Ashland and Klamath Falls, Ore. *Proposal to meet truck rates.*

XNC-6438 (C) POULTRY or Pigeon Grit, Rogue River, Ore., to points in Ore. *Proposal to meet truck rates.*

XNC-6439 (C) GLASSWARE, viz; Bottles, Carboys, demijohns or jars, NOIBN other than cut, with or without their equipment of caps, covers, stoppers or tops, one gal. or less in capacity. Portland to Beaverton, Ore. *Proposal to meet truck rates.*

XNC-6440 (C) BOATS, (Item 2720, NPCFB 90-J.) Between Longview and Everett, Wash. *Proposal to meet truck rates.*

XNC-6441 (C) MALT Liquors, (Group 5, Item 620, NPCFB 129-A.) Between Seattle-Tacoma, Wash. and Yakima and Toppenish, Wash. *Proposal to meet truck rates.*

XNC-6442 (C) EMPTY BEER Containers, returning, (Item 2350, NPCFB 129-A.) To Seattle-Tacoma, Wash. from Yakima and Toppenish, Wash. *Proposal to meet truck rates.*

XNC-6443 (C) FRESH MEATS and packing House Products, (Item 645, NPCFB 129-A.) Between Coast and Spokane, Wash. *Proposal to meet truck rates.*

XNC-6444 (C) FUEL, (Item 1078-G. SP 1482,) Between Eugene, Ore and Gardiner and Reedsport, Ore. *Proposal to meet truck rates.*

XNC-6445 (C) CLOTH, make of wool or other animal fibres, with or without other fibres in the original piece, but not finished articles ready for immediate use. Harrisburg to Portland, Ore. *Proposal to meet truck rates.*

XNC-6449 (C) CANNED Goods, (Item 2800-C, NPCFB 129-A.) To Portland, Ore., Vancouver, Seattle and Tacoma, Wash. From points in Eastern Washington. *Proposal to meet truck rates.*

XNC-6450 (C) CAUSTIC SODA, Silicate of Soda, or Soda Ash, (Items 2430 and 3480, NPCFB 129-A) *Proposal to meet truck rates.*

XNC-6451 (C) FREIGHT, all kinds, (Item 2670, NPCFB 129-A and Item 3860, NPFCB 90-J.) *Proposal to meet truck rates.*

XNC-6452 (C) IRON or Steel Articles, (Item 625, NPCFB 129-A.) Between Coast and Trentwod, Wash. *Proposal to meet truck rates.*

XNC-6453 (C) JUNK, (Item 630, NPCFB 120-A.) *Proposal to meet truck rates.*

XNC-6454 (C) SEEDS, rated 3rd class or lower LCL in the WC, also Lucerne, Rye, or Field Pea seed, in Packages. Between Portland, Ore., Vancouver, Seattle and Tacoma, Wash. and points in Eastern Wash. *Proposal to meet truck rates.*

XNC-6455 (C) PLYWOOD, (Item 635-A, NPCFB 129-A, Item 1185 NPCFB 90-J.) *Proposal to meet truck rates.*

XNC-6458 (C) HEATERS, Water, NOIBN, storage type, or range boilers, with interior water heaters, (Item 7380, NPCFB 90-J) Between Seattle-Tacoma, Wash., and Eugene, Monroe and Springfield, Ore. *Proposal to meet truck rates.*

XNC-6459 (C) PAPER and paper articles, (Group E. Item 1205, NPCFB 90-J.) Bellingham, Wash. to Oregon. *Proposal to meet truck rates.*

XNC-6460 (C) ROOFING, (Item 1215, NPCFB 90-J.) Between Seattle-Tacoma, Wash. and Bend, Ore. *Proposal to meet truck rates.*

XNC-6456 (C) CLASS rates NPCFB 129-A. Between Portland, Ore., Vancouver, Seattle and Tacoma, Wash. and points named in tariff. *Proposal to meet truck rates.*

XNC-6457 (C) TONNAGE reduction scale, (Item 2420-E, NPCFB 65-G.) *Proposal to meet truck rates.*

XNC-6415 (C) GASES, compressed, in steel cylingers, rated 3rd class or lower in WC, (Item 2000 and 2210, NPCFB 90-J.) Between Seattle, Wash., and Portland, Ore. *Proposal to meet truck rates.*

XNC-6543 (C) CLASS & Commodity Rates. Between Wenatchee, Wash., Portland, Ore., Tacoma, Seattle and Spokane, Wash. *Proposal to meet truck rates.*

NC-6577 (C) FROZEN FRUITS, Vegetables and juices. From Coast, to Billings, Mont. *Proposal to meet rail rates.*

XNC-6655 (C) SHALE, ground, burnt or retorted, in pkgs. Between Portland, Ore., Vancouver, Seattle—Tacoma, Wash., and points east of the Cascade Mts. in Ida. Ore. and Wn. *Proposal to meet truck rates.*

[fol. 452]

Section 4
Page 7 of 14 Pages

XNC-6658 (C) CONDUITS or Pipe or Conduits or Pipe Connections, fibre, bituminized or indurated (fibre or paper and asphalt or pitch combined, NOIBN for underground work. Corvallis, Ore. to points in Wn., Ore., Ida., *Proposal to meet truck rates.*

XNC-6663 (C) CONTAINERS, sheet iron or steel, SU, viz; Cans, not exceeding one gallon capacity. From Salem, Ore. to; Woodburn, Silverton, Albany, Corvallis and Eugene, Ore. *Proposal to meet truck rates.*

XNC-6666 (C) SEEDS, between Portland, Ore. and Amity, Ore. *Proposal to meet truck rates.*

XNC-6670 (C) AGRICULTURAL Implements, other than hand, or parts. From Yakima, Wash. to Pendleton, Ore., Lewiston, Ida., Spokane, Dayton, Pomeroy, Walla Walla, Wash. *Proposal to meet truck rates.*

XNC-6681 (C) GLASSWARE, from Portland, Ore. to Beaverton, Ore. *Proposal to meet truck rates.*

XNC-6682 (C) BOX or Crate material. From Spokane, Wash. to Milton-Freewater, Ore., Walla Walla, Yakima, Sunnyside, Richland, and Kennewick, Wash. *Proposal to meet reduced truck rates.*

XNC-6683 (C) BUILDING materials, Hardware or other articles. Between Spokane, Wn. and Pendleton, Ore. and Walla Walla, Wn. *Proposal to meet reduced truck rates.*

XNC-6687 (C) GROCERIES, Grocers' Supplies or other Articles. Between Yakima, Wn. and Milton-Freewater, Ore. to Athena and Pendleton, Ore. *Proposal to meet reduced truck rates.*

XNC-6688 (C) GROCERIES, Grocers' supplies or other articles. Between Spokane, Wn. and Lewiston, Ida., Pomeroy-Walla Walla, Wn. *Proposal to meet truck rates.*

XNC-6689 (C) GROCERIES, Grocers' Supplies or Other Articles. Between Spokane, Wn. and Pendleton, Milton-Freewater, Ore., Walla Walla, Wash. Yakima, Sunnyside, Kennewick and Richland, Wn. *Proposal to meet truck rates.*

XNC-6690 (C) GROCERIES, Grocers' Supplies or other articles (Grps. 6 and 6-A, It. 620, NPCFB

129-A). From Lewiston, Ida. to Spokane, Wash. *Proposal to meet truck rates.*

XNC-6691 (C) INSULATING material, Viz.: Vermiculite, from Spokane, Wn. to Yakima, Sunnyside, Richland and Kennewick, Wn. *Proposal to meet truck rates.*

XNC-6692 (C) JUNK, viz: Paper, scrap or waste, (including old magazines). From Walla Walla, Wash. to Spokane, Wn. *Proposal to meet truck rates.*

[fol. 453]

Section 4
Page 8 of 14 Pages

XNC-6693 (C) LUMBER. From Lewiston, Ida. to Walla Walla, Wn. *Proposal to meet truck rates.*

XNC-6694 (C) MILK, condensed or evaporated, in glass, earthenware or metal cans, in boxes or in bulk in barrels. From Sunnyside, Wash. to Lewiston, Ida. *Proposal to meet truck rates.*

XNC-6695 (C) PAINT, Paint Material, Putty or Other Articles. Between Spokane, Wn. and Lewiston, Ida. *Proposal to meet truck rates.*

XNC-6696 (C) NEWSPRINT paper, in rolls. From Spokane, Wash. to Yakima, Wash. *Proposal to meet truck rates.*

XNC-6697 (C) BOXES, fibreboard, without wooden frames, K. D., flat or folded flat. from Yakima, Wn. to Dayton, Waitsburg and Walla Walla, Wn. *Proposal to meet truck rates.*

XNC-6698 (C) PAPER or paper articles (Grp. D, It. 660, NPCFB 129-A). From Yakima, Wash. to Milton-Freewater and Pendleton, Ore. *Proposal to meet truck rates.*

XNC-6699 (C) PAPER or paper articles (Grp. C. It. 660, NPCFB 129-A). From Sunnyside Wn. to Dayton, Wn., Milton-Freewater, Pendleton, Ore. and Walla Walla, Wn. *Proposal to meet truck rates.*

XNC-6700 (C) PETROLEUM (It. 670, NPCFB 129-A). Between Spokane, Wn. and Lewiston, Ida. *Proposal to meet truck rates.*

XNC-6701 (C) POPCORN (not Popped), in pkgs. From Yakima, Sunnyside, Richland, and Kennewick, Wn. to Spokane, Wn. *Proposal to meet truck rates.*

XNC-6702 (C) SEEDS, also Lucerne, Rye or Field Pea Seed, in pkgs. Between Yakima, Sunnyside, Richland, Kennewick, Wn. and Spokane, Wn. and Lewiston, Ida. *Proposal to meet truck rates.*

XNC-6703 (C) SEED, Sugar Beet, in bags or boxes. From Walla Walla, Wash. to Sunnyside, Wash. *Proposal to meet truck rates.*

XNC-6704 (C) VINEGAR, in pkgs. Between Spokane, Wash. and Lewiston, Ida. *Proposal to meet truck rates.*

XNC-6705 (C) BEVERAGES, flavored or phosphated, NOIBN, not including extracts, syrups nor alcoholic liquors (It. 520 NPCFB 129-A, It. 1170, 90-J) *Proposal to meet truck rates.*

XNC-6706 (C) TALLOW, animal (It. 520, NPCFB 129-A, It. 1170, NPCFB 90-J). Between Points in Wash., Ore. and Ida. *Proposal to meet truck rates.*

[fol. 454]

XNC-6707 (C) HEATERS, water NOIBN; Range Boilers, with interior water heaters. Between

Portland, Ore. and Seattle and Tacoma, Wn. *Proposal to meet truck rates.*

XNC-6708 (C) IRON or Steel Articles (Part 3, It. 1530-A, NPCFB 120-A), also Bolts, nuts, rivets, rods, washers, iron or steel, plain. Between Portland, Ore. and Seattle and Tacoma, Wn. *Proposal to meet truck rates.*

XNC-6709 (C) PAINT, paint material, putty or other articles, (It. 7540, NPCFB 90-J). Between Seattle-Tacoma, Wash. and Tillamook, Ore. *Proposal to meet truck rates.*

XNC-6710 (C) ELECTRALYTE or Corrosive Battery Fluid, Proposal to add foregoing entry in NPCFB Trf. 90-J and 129-A, GN Trf. 3012, OE Trf. 322-D, Sp. Trf. 1482 and UP Trfs. 5100-B and 6074-1. *Proposal to meet truck rates.*

XNC-6726 (C) PAPER, Paper Articles and other related articles (It. 1180, NPCFB 65-G). *Proposal to meet truck rates.*

XNC-6727 (C) PACKING House Products (It. 4500, NPCFB 90-J). From Kennewick Grp., Sunnyside Grp., Yakima Grp. to Coast. *Proposal to meet truck rates.*

XNC-6728 (C) SUGAR (Grp. 14) (It. 2800-E, NPCFB 129-A). Between Dayton, Wn., Pendleton, Ore., Pomeroy Spokane, and Waitsburg, Wash. and Coast. *Proposal to meet truck rates.*

XNC-6729 (C) GLUE, casein, dry or liqpid; Glue, NOIBN, Glue Base, and Glue Stock. Between Eugene, Ore. and Pendleton, Pilot Rock and Portland, Ore. *Proposal to meet truck rates.*

XNC-6730 (C) CHEMICALS, viz.; Sodium, caustic (Sodium Hydroxide). Between Portland, Ore. and Salem, Ore. *Proposal to meet truck rates.*

XNC-6731 (C) SEEDS, viz.: Alfalfa, Clover, Flax (linseed), Grass Seed, NOI, Millett, Seed Corn, Seed Peas, Timothy, Vetch, also Sugar Beet Seed. From Portland, Ore. to Albany, Lebanon, Corvallis and Jefferson, Ore. *Proposal to meet truck rates.*

NC-6577 (C) FROZEN Fruits, vegetables and juices. From Coast to Billings, Mont. *Proposal to meet truck rates.*

NC-6813 (C) FORMALDEHYDE, in tank cars. From Springfield, Ore. to Wheeler, Seattle, Toppenish, Wash., Nampa, Ore. *Proposal to meet truck rates.*

NC-6814 (C) CAN Ends, Steel or tin, flat or nested. Between Portland-Vancouver, Seattle, Tacoma and Wash. Points. *Proposal to meet truck rates.*

[fol. 455]

NC-6815 (C) SUGAR. Toppenish to Walla Walla, Wash. *Proposal to meet truck rates.*

NC-6816 (C) NEWSPRINT paper, in rolls. Spokane, Wash. to Yakima, Wash. *Proposal to meet truck rates.*

NC-6817 (C) CHEMICALS, viz: Ammoniacal liquor or aqua ammonia, in barrels or drums. Between Seattle, Wash, and Everett, Wash. *Proposal to meet truck rates.*

NC-6818 (C) SUGAR, in pkgs. Between Coast and Spokane Grp., Dayton Grp., and Walla Walla Grp. *Proposal to meet truck rates.*

NC-6819 (C) DAIRY Products, Between Spokane, Wash. and Pendleton, Ore., Walla Walla, Yakima, Richland, Kennewick, and Sunnyside, Wash. *Proposal to meet truck rates.*

NC-6820 (C) GASES, compressed. Spokane, Wash. to Richland and Kennewick, Wash. *Proposal to meet truck rates.*

NC-6821 (C) CANNED or preserved foodstuffs (not cold pack or frozen), Between Spokane, Wash. and Yakima, Kennewick and Richland, Wash. *Proposal to meet truck rates.*

NC-6821 (C) CANNED or Preserved foodstuffs not cold pack or frozen) Between Yakima, Wash. and Milton-Freewater, Ore. and Walla Walla, Wash. and Between Lewiston, Ida. and Pendleton, Ore., Milton-Freewater, Ore. and Walla Walla, Wash. *Proposal to meet truck rates.*

NC-6823 (C) BEVERAGES or tonics, viz: Liquors malt; Ale, beer, beer tonic, porter, stout or non-intoxicating cereal beverages. Between Lewiston, Ida. and Spokane, Wash. and Between Walla Walla, Wash. and Yakima, Wash. *Proposal to meet truck rates.*

NC-6824 (C) BEVERAGES or Tonics, viz: Liquors Malt; Ale, beer, beer tonic, porter, stout or non-intoxicating cereal beverages. Between Spokane, Wash. and Pendleton, Ore., Walla Walla and Dayton, Wash. *Proposal to meet truck rates.*

NC-6825 (C) INSECTICIDES or fungicides, agricultural, insecticides or insect repellants, vermin exterminators or animal repellants, other than agricultural insecticides; Tree or weed killing compounds, NOIBN. *Proposal to meet truck rates.*

NC-6826 (C) IRON or steel articles (It. 625-A, NPCFB 129-A). Between Spokane, Wash. and Lewiston, Ida. *Proposal to meet truck rates.*

NC-6827 (C) TALLOW, animal. Between Spokane, Wash. and Walla Walla, Wash. *Proposal to meet truck rates.*

[fol. 456]

NC-6828 (C) WOOD Shavings, in bales or bags, machine compressed. Spokane, Wash. to Yakima, Sunnyside, Kennewick, Richland, Wash. *Proposal to meet truck rates.*

NC-6854 (C) SULPHUR, Between Seattle-Tacoma, Wash.; Portland, Ore. and Eastern Wash. points. *Proposal to meet truck rates.*

XNC-6732 (C) TFC—DAIRY PRODUCTS, viz: Eggs, NOIBN, Egg Albumen (Whites) or Yolks, Desicated, dry, in barrels or boxes or in metal cans in boxes or crates. Between Spokane, Wn. and Pendleton, Ore., Walla Walla, Yakima, Richland, Kennewick and Sunnyside, Wash. *Proposal to meet truck rates.*

XNC-6733 (C) TFC—Dog Food. in tin, in packages. From Spokane, Wash. to Yakima, Sunnyside, Richland and Kennewick, Wash. *Proposal to meet truck rates.*

XNC-6734 (C) TFC—Gases, Compressed, in steel cylinders, From Spokane, Wash. to Richland and Kennewick, Wash. *Proposal to meet truck rates.*

XNC-6735 (C) TFC—Canned Goods (Group 3, Item 620, NPCFB 129-A) Between Spokane, Wash. and Pendleton, Ore., Dayton, Walla Walla,

Wash., Milton-Freewater, Ore., Pomeroy, Wash. and Lewiston, Ida. Also between Spokane, Wash. and Yakima, Kennewick and Richland, Wash. *Proposal to meet truck rates.*

XNC-6736 (C) TFC—Canned Goods (Grp. 3, Item 620, NPCFB 129-A). Between Yakima, Wash. and Milton-Freewater, Ore. and Walla Walla, Wash. Also between Walla Walla, Wash., Pendleton, Ore. and Milton-Freewater, Ore. and Lewiston, Ida. *Proposal to meet truck rates.*

XNC-6737 (C) TFC—Beer, etc. (Grp. 5, Item 620, NPCFB 129-A). Between Yakima and Spokane, Wash. and Lewiston, Ida. Between Yakima, Wash. and Walla Walla, Wash. *Proposal to meet truck rates.*

XNC-6738 (C) TFC—Beer, etc. (Grp. 5, Item 620, NPCFB 129-A). Between Spokane, Wash. and Pendleton, Ore., Walla Walla, Dayton, Richland, Kennewick, Yakima and Sunnyside, Wash. *Proposal to meet truck rates.*

XNC-6741 (C) TFC—Grain and flour (Grps. 8B and 8C, Item 620, NPCFB 129-A). Pendleton, Ore. to Spokane, Wash. *Proposal to meet truck rates.*

XNC-6742 (C) TFC—Sugar (Grp. 14, Item 620, NPCFB 129-A). Between Spokane, Wash. and Yakima, Sunnyside, Richland and Kennewick, Wash. *Proposal to meet truck rates.*

XNC-6743 (C) TFC—Hides, pelts, or skins, etc. Between Lewiston, Ida. and Spokane and Walla, Wash. *Proposal to meet truck rates.*

[fol. 457]

XNC-6744 (C) TFC—PU & D—Hops, in compressed bales, From Yakima, Sunnyside, Richland and Kennewick, Wash. to Spokane, Wash. *Proposal to meet truck rates.*

XNC-6745 (C) TFC—PU&D—insecticides or fungicides, etc. Between Yakima, Wash. and Dayton and Walla Walla, Wash. *Proposal to meet truck rates.*

XNC-6746 (C) TFC—Iron or steel articles (Item 625, NPCFB 129-A). Between Spokane, Wash. and Lewiston, Ida. *Proposal to meet truck rates.*

XNC-6747 (C) TFC—Paper or paper articles (Item 660, NPCFB 129-A). Between Spokane, Wash. and Pendleton, Ore. *Proposal to meet truck rates.*

XNC-6748 (C) TFC—Paper or paper articles (Item 660, NPCFB 129-A). Between Spokane, Wash. and Walla Walla, Wash. *Proposal to meet truck rates.*

XNC-6749 (C) TFC—Paper or paper articles (Item 660, NPCFB 129-A). Between Lewiston, Ida. and Spokane, Sunnyside, Kennewick, Richland, and Yakima, Wash. *Proposal to meet truck rates.*

XNC-6750 (C) TFC—PU&D—Tallow, Animal. Between Spokane, Wash. and Walla Walla, Wash. *Proposal to meet truck rates.*

XNC-6791 (C) PU&D—Dressed Poultry and/or eggs, chicken, for human consumption. Between Nampa, Idaho and Lewiston, Ida. *Proposal to meet truck rates.*

NC-6821 (C) CANNED or preserved foodstuffs or other articles (It. 175, NPCFB 75- series). Between Spokane, Wash. and Yakima Kennewick and Richland, Wash. *Proposal to meet truck rates.*

XNC-6896 (C) MILK (condensed or evaporated as described in Item 3460). From Boise and Caldwell, Ida. to Portland Grp. and Seattle Grp. *Proposal to meet truck rates.*

NC-6935 (C) CHAINS NOIBN. Between Portland, Ore. and Vancouver, Wash. and Bellingham, Wash. *Proposal to meet truck rates.*

NC-6936 (C) PAPER, Cl. Between Seattle, Wash. and Everett, Wash. *Proposal to meet truck rates.*

NC-6937 (C) SILICATE of Soda Solution in tank cars, CL. Tacoma, Wash. to Longview, Wash. *Proposal to meet truck rates.*

NC-6938 (C) SULPHURIC Acid, in tank cars, CL. Tacoma, Wash. to Bremerton, Chewelah, and Washougal, Wash. *Proposal to meet truck rates.*

[fol. 458]

Section 4
Page 13 of 14 Pages

NC-6939 (C) SODIUM Pentachlorophenate solution, in tank cars. Tacoma, Wash. to Shelton, Wash. *Proposal to meet truck rates.*

NC-6940 (C) CAUSTIC Soda or cleaning, scouring or washing compounds NOIBN, liquid, CL. From Tacoma, Wash. to Longview, Wash. *Proposal to meet truck rates.*

NC-6957 (C) SUGAR; in pkgs., CL. Scalley to Sedro Woolley, Wash. *Proposal to meet truck rates.*

NC-6934 (C) FREIGHT, all kinds. CL. Between Seattle, Wash. and Vancouver, New Westminster, Annacis, B.C. *Proposal to meet truck rates.*

XNC-6952 (C) BOARDS or Sheets (Item 7220, 7860, NPCFB 90-J). Propose PUD rates from Klamath Falls and Coos Bay, Ore., and Wash. points. *Proposal to meet truck rates.*

XNC-6961 (C) ALUMINUM, Cable, with or without Steel Core, Rods, Wire. From Troutdale, Ore. to Astoria, and Roseburg, Ore. *Proposal to meet truck rates.*

XNC-6950 (C) CONDUITS or conduit connections for underground work, (Fibre Bituminized or indurated. Fibre or paper and asphalt or pitch combined.) From Corvallis, Ore. to Oregon Points. *Proposal to meet truck rates.*

XNC-6964 (C) "B" FLUTE type paper (Group D, Item 1690-PITB 5-A). From Beaverton, Ore. to Oregon Points. *Proposal to meet truck rates.*

NC-6814 (C) CAN ENDS, steel or tin, flat or nested. Between Portland-Vancouver, Seattle-Tacoma and Wash. points. *Proposal to meet truck rates.*

NC-6936 (C) PAPER, CL. Between Seattle, Wash. and Everett, Wash. *Proposal to meet truck rates.*

NC-6938 (C) SULPHURIC Acid, in tank cars, CL. Tacoma, Wash. To Bremerton, Wash. *Proposal to meet truck rates.*

XNC-6996 (C) PAPER or Paper Articles (Group D, Item 1205, NPCFB 90-J). Between Beaverton, Ore. and Ore. & Wash. points. *Proposal to meet truck rates.*

XNC-6997 (C) BAKERY Goods, Viz: Biscuits, Cookies, Crackers, Matzos, Pretzels and Toast, in barrels, boxes or metal cans, in crates or in wheeled carriers, locked. Between Coast and Spokane and Mont. *Proposal to meet truck rates.*

XNC-6998 (C) AMMONIA or Ammonia Compounds cleaning, liquid, CL. Between Portland Ore. and Southern Ida. *Proposal to meet truck rates.*

[fol. 459]

Section 4
Page 14 of 14 Pages

XNC-7039 (C) LIQUORS, Alcoholic, including Alcohol for human consumption (but not including Wine), in bulk in barrels or in glass or in metal cans in barrels or boxes. Portland, Ore. to Pendleton, Walla Walla, Huntington, Nyssa, etc. *Proposal to meet truck rates.*

NC-8048 (C) DRESSED Poultry, CL. Salem, Halsey and Eugene, Ore. to Spokane, Wash. *Proposal to meet truck rates.*

NC-1774 (C) PETROLEUM Products, Viz: Methallyl Alcohol and Liqnin Liquor, CL. Between points in Washington. *Proposal to meet truck rates.*

NC-6814 (C) CAN Ends, Steel or tin, flat or nested. Between Portland-Vancouver, Seattle-Tacoma and Wash. points. *Proposal to meet truck rates.*

NC-7060 (C) TONNAGE Reduction Table, Item 185-G, SP 1482. *Proposal to meet truck rates.*

XNC-7113 (C) PAPER or Paper Articles. Between Portland, Ore. and Western Wash. Points. *Proposal to meet truck rates.*

XNC-7114 (C) INSECTICIDES. Between Portland, Ore. and Seattle, Wash. *Proposal to meet truck rates.*

XNC-7115 (C) LUMBER. Between Portland, Ore. and Seattle, Wash. *Proposal to meet truck rates.*

XNC-7116 (C) MACHINERY or Machines. Portland, Ore. to Aberdeen, Wash. *Proposal to meet truck rates.*

XNC-7119 (C) LUMBER. Eastern Ore. and Wash. to Coast. *Proposal to meet truck rates.*

XNC-7120 (C) INSECTICIDES. Between Coast and eastern Ida., Ore. and Wash. *Proposal to meet truck rates.*

XNC-7123 (C) BEVERAGES. Between Coast and Pendleton, Ore. and eastern Wash. points. *Proposal to meet truck rates.*

XNC-7125 (C) IRON or Steel, Viz: Castings or Forgings. Between Coast and Mont. points. *Proposal to meet truck rates.*

XNC-7127 (C) MILK, Cream or Buttermilk. Ida. and Ore. points to Portland, Ore. and Seattle, Wash. *Proposal to meet truck rates.*

XNC-7128 (C) POUNTRY and Pigeons, dressed. Between Portland, Ore. and Ida. points. *Proposal to meet truck rates.*

[fol. 460]

Section 5

EXTRACTS

Pertaining to Mountain Pacific Rail Transportation

From I.C.C. Decisions

Class Rates, Mountain Pacific Territory I.C.C. 30416

Class Rates, Transcontinental Rail 1950 I.C.C. 30660

296 I.C.C. 555

[fol. 461]

Section 5

Page 1 of 1 pages

Page 625.

"The above table indicates that as far as intra-territorial rate levels are concerned, that in 1937 Mountain Pacific Territory was between 4.7% and 5.5% higher than the five-territory average; but that by 1950 it was only 2% higher than the five-territory average, and between 1950 and 1953 the Mountain Pacific Territory level of rates was increased somewhat less than the other four rate territories, which would tend to eliminate the 2% difference."

Page 638

"Truck transportation is far more important within California than rail transportation. The aggregate revenues of truck carriers for transportation within California are approximately four times the revenues accruing to the rail carriers."

Page 566

"In a great many instances in Mountain Pacific Territory, the class rates have been reduced to meet truck competition."

Page 626

"It is observed that the rates per mile per car mile are no higher in Mountain Pacific Territory than in other rate territories for distances of 100 and 200 miles, but for distances of 400, 600 and 800 miles the rates per car mile are somewhat higher than in other territories."

[fol. 462]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket No. 31503 and Sub. Nos.

Exhibit No. I-383

Witness: Thomas W. Dench

DOCKET No. 31503

TRANSCONTINENTAL DIVISIONS

Witness:

Thomas W. Dench
Chief Rate Analyst
Rail Transportation Department
Public Utility Commissioner of Oregon
218 Public Service Building
Salem, Oregon

Statement

Submitted on Behalf of:

HOWARD MORGAN
Public Utility Commissioner
of Oregon
As Well As
Other Petitioning Intervenor Commissions

[fol. 463] My name is Thomas W. Dench and my business address is 218 Public Service Building, Salem, Oregon. I am employed in the capacity of Chief Rate Analyst, Rail

Transportation Department for the Public Utility Commissioner of Oregon. I have been associated with the Oregon Public Utility Commissioner's office since March, 1948. Prior to that time I was employed by the Carmichael Traffic Corporation of Los Angeles in the capacity of Chief Rate Clerk for approximately four years; and prior thereto (1939 to 1944), I held the position of Assistant Rate Expert with the Public Utilities Commission for the State of California. I graduated from Reed College, Portland, Oregon, in 1937, having majored in economics with special study in transportation.

The statement and accompanying exhibit which I am presenting herein relates, particularly, to the effect of general percentage increases in freight rates on movements of transcontinental traffic and the position of Oregon and Mountain Pacific shippers with respect to the need for hold-downs or maximum increases to preserve movement of that long haul traffic. I have shown the history of rate increases by the Interstate Commerce Commission in Ex Parte proceedings since June 30, 1946 and the changes in rate relation-[fol. 464] ships under which Western shippers must compete in Eastern markets on some of our basic commodities. The exhibit also shows in Section 3 the territorial movement of traffic originated in Mountain Pacific Territory during the period 1947 through 1955. In Section 4 I have shown the average increases in ton-mile and car-mile earnings for the United States and Western District average as well as average changes in car-mile revenue on specific commodity movements.

Oregon as other Pacific Coast and Mountain Pacific States are vitally concerned in the level of rail freight rates because of their dependence upon long-haul rail service to market their goods in the East. Other witnesses discuss in detail the changing economy of Oregon and the Pacific Coast States and their large production of lumber, forest products, and products of agriculture.

Oregon as well as its neighboring Pacific Coast states of Washington and California, is located approximately 2000

miles from Chicago and the Midwest and over 3000 miles from New York and Atlantic Seaboard states. Oregon and Pacific Coast shippers face the longest transportation hauls in the United States producing the highest transportation charges per carload in marketing their products east of the

—2—

[fol. 465] Rocky Mountains in competition with producers more favorably located. Cumulative percentage increases previously authorized by the Interstate Commerce Commission in numerous Ex Parte cases since 1946 have increased competitive rate relationships or differentials to the extent that it is more and more difficult for Pacific Coast shippers to market commodities in Eastern markets.

This situation is not only detrimental to shippers in Oregon and the Pacific Northwest but is also detrimental to consumers throughout the Midwest and along the Eastern Seaboard by reducing competition in products to be purchased and to the Western railroads by losses of traffic. A more detailed analysis of the effect of past percentage increases on the movement of traffic from Oregon and the Mountain Pacific States is set forth on the following pages and in my accompanying exhibit.

Oregon's economy has changed considerably during the past ten years. Substantial increases in population, and location of new industries, as well as expansion of many others, have produced new traffic for both rail and motor carriers, especially long-haul transcontinental rail traffic. The preponderance of short-haul traffic, except for bulk commodities, is more and more moved by motor carrier.

—3—

[fol. 466] While the principal products marketed from this State are still lumber and forest products, and products of agriculture, during the past ten years there has been a substantial growth of manufacturing along the Pacific Coast. Many of these new industries are also vitally concerned in the problem of marketing their products east of the Rocky Mountains.

Shippers in Oregon and the Pacific Northwest have consistently opposed in all recent Ex Parte proceedings the straight percentage form of increasing freight rates be-

cause of their adverse effect upon their businesses. This is especially true in Ex Parte 206 where practically all shippers of agricultural and forest products, as well as manufacturing industries objected to further rate increases in their entirety or sought (1) specific maximum increases or hold-downs on their individual products; (2) a general hold-down on all carload traffic or (3) a tapering scale of percentage increases which would have the effect of alleviating to some extent the effect of percentage increases on long-haul shipments.

Western producers of agricultural products, lumber and forest products, as well as canned and frozen food stuffs, which constitute the bulk of east-bound transcontinental traffic, in Ex Parte 206 claim to have reached the point

—4—

[fol. 467] where they are unable to absorb additional freight costs. It is well known that the ability of a shipper to compete in a distant market is dependent not only upon the exact level of the rate but upon the difference between the rate which he must pay and that of his competitor into the same market.

Historically the railroads have proposed and the Interstate Commerce Commission approved maximum increases or hold-downs in Western lumber rates based on the rates from Hattiesburg, Mississippi to Chicago, Illinois. Similarly maximum increases on fruit and vegetable rates have been based upon the rates from Lake Wales, Florida. The Western railroads have recognized the vital necessity to the West to have hold-downs or maximum increases in rates on these raw products of forest or agriculture in order to maintain their long transcontinental hauls and to keep western producers in a competitive position. The principal controversy between western shippers and carriers in many instances has been as to the level of the hold-downs and the necessity for hold-downs on many commodities for which none were proposed in the Ex Parte proceeding by the carriers.

Exporters in Portland and along the Pacific Coast have historically drawn traffic from the Midwest to the Pacific

—5—

[fol. 468] Coast ports for export to the Orient. Officials of the Commission of Public Docks of the City of Portland and other port authorities in Washington and California opposed in Ex Parte 206 further cumulative percentage increases in freight rates because of their effect in limiting the territory from which they can draw export traffic to the Pacific Coast in competition with similar exporters located at Gulf and Atlantic ports. Steel, machinery, automobiles, dried milk and dairy products, drugs and medicines, have all been important items originating in the East and Mid-west and exported through Pacific Coast ports. At the present time many of the steamship rates from the Atlantic and Gulf ports to the Orient are only slightly higher than those applicable from the Pacific Coast ports. Continuous percentage increases compounded upon previous percentage increases have reduced the area from which Pacific Coast exporters can draw traffic in competition with exporters through the Gulf or Atlantic ports.

Past percentage increases have resulted in drying up movements of traffic. This is particularly true of movements of grain and flour from the Pacific Northwest to Eastern markets. Shippers of paper and paper articles from Oregon are no longer able to market their products East of

—6—

[fol. 469] the Rockies except for a few specialty items, as a result of the percentage increases and lack of maximum increases or hold-downs on their traffic. In the accompanying exhibit many other instances are shown where there has been a substantial reduction or virtual cessation in the movement of products from Mountain Pacific Territory to the East.

The loss of long-haul transcontinental traffic is detrimental to the economy of Oregon and the Mountain Pacific States. We believe it is equally detrimental to our western transcontinental railroads since their primary business is to sell long-haul transportation. With the decline in short-haul traffic due to motor carrier competition, we believe it is to the mutual interest of both Western shippers and

Western railroads to strive to increase movements of long-haul traffic rather than to create artificial barriers by rate increases which stifle or reduce movement of this traffic.

The accompanying exhibit, consisting of five sections, shows the history of rate increases authorized during the past ten years, as well as actual increases in rates and revenues during the same period of time. The exhibit also shows the effect of past rate increases and other rate adjustments in altering rate relationships and changes in traffic movements during this ten-year interval.

—7—

[fol. 470] Section 1 of the accompanying exhibit shows the increases in freight rates authorized by the Interstate Commerce Commission to the railroads since 1946. Pages 2 to 4 show by date and proceeding the amount of percentage increase authorized by territories, and the cumulative increase above the base rates in effect up to June 30, 1946. No consideration has been given on these pages to the effect of maximum increases or hold-downs on specific commodities in reducing the effective increases. Page 2 shows that the cumulative percentage increase within Western Territory, prior to the institution of Ex Parte 206, is 90% since June 30, 1946. Cumulative increases between Western Territory and Southern Territory for the ten-year period total 99% and between Western Territory and Eastern Territory range between 99% and 103% depending upon the commodity.

The interim increase of 5%, effective December 28, 1956, in Ex Parte 206 raised the cumulative level of the authorized increases within Western Territory to 99% and the additional 17% proposed in Ex Parte 206 would raise the cumulative increase to 133%. Similarly the cumulative rate level between Western and Southern Territory was increased from 99% to 109% by the interim increase, and would be further increased to 145% by the additional 17% sought herein. Between Western and Eastern Territory

—8—

[fol. 471] the new rate proposal results in raising the cumulative rate level from 99% or 103% to 145% or 150%,

depending upon the commodity. Page 3 shows similar information with respect to the rate level within Eastern and Southern Territory and between these territories.

Page 5 of Section 1 shows the estimated overall percentage increase in freight rates authorized by the Interstate Commerce Commission since June 30, 1946, and reflects the effect of maximum increases or hold-downs. This data was taken from recent issues of the Interstate Commerce Commission's "Monthly Comments on Transport Economics".

While the cumulative percentage increase since 1946, within Western Territory, is shown on page 2 as 90% including Ex Parte 196 increases, these studies made by the Commission's staff show that the overall rate increase authorized within Western District is 83.4% and that the authorized increases range from a low of 64.1% for products of mines to a high of 91.3% on manufactured and miscellaneous traffic. Products of agriculture are shown as having increased overall by 72%. This table shows also a breakdown by principal commodities for the United States total authorized increases. For products of agriculture it is shown that the authorized increases range

[fol. 472] from a low of 59½% on fresh fruit to a high of 90.2% on general products of agriculture. Products of forests show an overall increase of 94.1% while lumber shows an increase of 93.4%.

Pages 6 to 23 of Section No. 1 show, by the applicable rate proceeding, the extent of increases sought by the carriers compared with those approved and authorized by the Interstate Commerce Commission, commencing with Ex Parte 162 which became effective January 1, 1947. These pages also show, by commodity items, specific increases or maximum increases prescribed thereon.

In the earlier Ex Parte cases, particularly Ex Parte 162 and 166, the carriers sought maximum increases or hold-downs on many commodities for which straight percentage increases have been requested in the latter proceedings. The carriers themselves have recognized the competitive problem faced by long-haul shippers and the necessity for

maintaining market relationships, but the number of commodities for which hold-downs or maximum increases have been proposed have been substantially reduced in recent rate proceedings.

While the exhibit does not show Ex Parte proceedings prior to Ex Parte 162, the Interstate Commerce Commis-

—10—

[fol. 473] sion in some of the earlier cases, such as Ex Parte 103 and 115, authorized emergency increases on a cents per hundred pounds or per car basis rather than on a percentage basis.

Section 2 of the accompanying exhibit, consisting of 4 pages, shows, by means of representative examples, the effect of cumulative percentage increases in freight rates since June 30, 1946, in altering rate relationships or differentials under which our shippers must market their products, especially in Eastern markets.

Page 2 of Section 2 shows, by means of assumed base rates of $1.00 from the Midwest and $2.00 from the Pacific Coast, the effect of straight percentage increases in altering rate relationships. Between June 30, 1946, and March 7, 1956, a rate of $2.00 between the Pacific Coast and the Atlantic Coast would have increased to $4.07, and a rate of $1.00 from the Midwest to the Atlantic Coast would have increased to $2.05. A Western shipper in 1946, having to absorb a difference of $1.00 in freight rates in 1946 would have to absorb $2.02 in transportation cost alone. Under Ex Parte 206, as proposed, the differential would be increased another 45¢ per hundred pounds or to $2.47 against the long-haul shipper. This amounts to an increase of 102% in the differential between June 30, 1946 and March 7, 1956,

—11—

[fol. 474] and under the rates proposed in Ex Parte 206 the differential would be increased to 147% of the base rate.

This hypothetical example of changes in rate differentials, due entirely to the cumulative effect of percentage increases compounded upon one another could readily apply to transportation of machinery or other manufactured

articles moving transcontinentally East or West between the Pacific Coast and the Midwest or East Coast. Many commodities, especially manufactured articles, have since 1946 been subjected to the full percentage increases in all past Ex Parte cases.

Pages 3 and 4 show changes in rate relationships or differentials between June 30, 1946, and January 1, 1957, on actual commodities moving from Mountain Pacific Territory to Eastern markets. The exact rates shown on these pages reflect not only the percentage increases or maximum increases in freight rates authorized by the Interstate Commerce Commission since 1946 but also voluntary reductions made during the intervening years by the carriers, as well as the effect of formal orders of the Interstate Commerce Commission prescribing rates, such as prescribed in Docket 28863 on wool in the grease. Pages 3 and 4 show the effective increases in both the rate from the Pacific Coast points and competitive shipping points, as well as changes in

—12—

[fol. 475] rate relationships.

The rate on canned goods from Salem, Oregon to New York, N. Y., has increased 87 cents per 100 pounds, or 85% between June 30, 1946 and January 1, 1957, while the rate from Green Bay, Wisconsin, a competitive shipping point, to New York, N. Y., has increased by only 35 cents per 100 pounds, or 69%. During the ten year period our shippers have had to absorb an additional 52 cents per 100 pounds in freight costs to compete in the New York market. In spite of the hold-down proposed in Ex Parte 206 by the carriers the differential would be increased another 8 cents or to 60 cents per 100 pounds over Green Bay, Wisconsin.

On the other hand it is shown on page 4 that the relationship or differential between carload rates on sugar between San Francisco, California, and New Orleans, Louisiana, to Chicago, Illinois, has increased only 2 cents per 100 pounds or 7% during the same period. The carriers have consistently proposed and the Commission approved in all Ex Parte cases since 1946 maximum increases on this commodity to preserve competitive rate relationships.

Section No. 3 of this exhibit, consisting of 18 pages, shows comparisons of railroad tonnage originated in Mountain Pacific Territory with total United States tonnage by

—13—

[fol. 476] commodity for the years 1947 to 1955. This portion of the exhibit also shows the volume of Mountain Pacific originated traffic terminated in other territories. The statistics in this section of the exhibit were compiled from studies of the Commission's Bureau of Transport Economics and Statistics covering the Territorial Distribution of Traffic based on 1% Waybill analysis.

The purpose of this section of the exhibit is to show the amount of traffic by commodity originated in Mountain Pacific Territory, the extent to which it is shipped east of Mountain Pacific Territory, and the changes in traffic movement between 1947 and 1955. The section has been arranged by the principal classes of commodities and within the class by the importance of that commodity in total U.S. rail originated traffic. This section also shows for each commodity the extent to which it may have been granted maximum increases or special consideration in the various Ex Parte cases. While it would have been desirable to carry this study back to 1946, when the post-war rate increases commenced, the Interstate Commerce Commission did not commence its waybill analyses prior to 1947.

Data with respect to products of agriculture is shown on pages 2 to 8. These studies show that the predominance

—14—

[fol. 477] of fruit and vegetable traffic originated by railroads in the United States is originated in Mountain Pacific Territory, and the majority of this rail traffic is marketed beyond Mountain Pacific Territory. Naturally these studies do not reflect total production of these crops or local truck movements. They are limited wholly to rail traffic.

For example, page 2 shows for pears that the originations in Mountain Pacific Territory constituted almost 99% of the originated pear traffic in the United States between 1947 and 1955. Of this large volume originated in Mountain Pacific Territory, over 70% was terminated to points east

of Mountain Pacific Territory. The average haul clearly reflects the fact that this commodity is one moving predominantly in transcontinental hauls.

Individual commodities show both increases and reductions in volume of traffic handled. Page 3 shows, for apples, that over 90% of the apple traffic originates in Mountain Pacific Territory, and around 80% to 90% of that traffic terminates in the East. However, the total U.S. and Mountain Pacific traffic shows a continuous decrease in volume between 1947 and 1955. Frozen fruits and vegetables, on the other hand, as shown on page 4, show an increase in

—15—

[fol. 478] originated tonnage in the 10-year period. This is a new and important industry in Oregon, as well as elsewhere in the West, and must have access to Eastern markets.

Other pages, for products of agriculture, are generally self-explanatory. The figures show that shipments of fruits and vegetables on which there have been hold-downs or maximum increases in all the prior Ex Parte cases have continued to be shipped in large volume from Mountain Pacific Territory to the East.

On page 7 it is shown that shipments of wheat have remained fairly constant during the 10-year period. The figures for Mountain Pacific Territory include originations in Montana and Southern Idaho, as well as Wyoming and other border states. While these figures show a fairly level traffic volume, they do not contradict the fact that wheat movements from the Pacific Northwest have entirely ceased to the East.

Page 8 shows that the movement of wheat flour from Mountain Pacific Territory to the East has substantially declined in the 10-year period. The Pacific Northwest movement has virtually been eliminated because of percentage increases in freight rates.

Pages 8 and 9 show traffic movement for Animals and Products. The waybill analyses show a constant and substantial decline in originated tonnage by rail during the

—16—

[fol. 479] 10-year period on sheep, goats, cattle and calves. While the percentage of Mountain Pacific traffic going East has remained fairly constant, the actual volume of movement shows a continuous decrease in the 10-year period.

Page 9 shows that the total U.S. rail movement of wool has declined approximately 50% since 1947. Of the Mountain Pacific movement the majority of the shipments are terminated in Eastern Territory.

Pages 10 and 11 show traffic movements for Products of Forests. These statistics show for lumber, shingles and lath, as well as plywood, that the percent of U.S. rail traffic originated in Mountain Pacific Territory has grown continuously since 1947. U.S. total rail originations of lumber have declined, indicating a greater portion of Mountain Pacific traffic moving by rail to the East and lesser rail movement from the Southern States. It also shows decline in intra-Mountain Pacific traffic. Obviously Western lumber shippers and Western railroads have a common interest in maintaining this long-haul lumber traffic.

Page 11 shows that total movement of logs, butts and bolts by rail has declined both on the U.S. level and within Mountain Pacific Territory. The log movement obviously is an intra-territorial and primarily an intra-state move-

—17—

[fol. 480] ment, which is highly truck competitive.

Pages 11 to 16 show traffic movements on manufactured and miscellaneous articles. On many products there has been a growth of traffic from Mountain Pacific Territory moving East, such as on aluminum, copper, wallboard, since these industries have been developed or expanded in the past ten years. Many other products, however, show a decline in movement, especially transcontinental movement, including newsprint paper, wrapping paper.

Page 13 shows that the canned goods tonnage originated in Mountain Pacific Territory has remained fairly constant in the 10-year period, and that between 50% and 60% of the traffic originated in Mountain Pacific Territory is terminated in the East.

Pages 16 to 18 show similar information for Products of Mines. Petroleum products generally show a substantial decline in volume of U.S. tonnage originated.

Section 4 of the exhibit, consisting of 20 pages, contains an analysis of changes in average freight rates and revenues during the 10-year period, 1946 through 1955. Page 2 of Section 4 shows, for Class I Railways, the average freight revenue per loaded car mile and per revenue ton mile for the years 1946 to 1955.

Since 1946 rate differentials increased considerably.

—18—

[fol. 481] Percentage changes in average revenue have been compiled based on the average for 1950 in order to relate them with the following pages of the exhibit.

Page 2 shows that the average revenue per loaded car mile for the U.S. carriers increased up to 1953 when it reached 114%. Since 1953 the average revenue per car mile has gradually declined. These figures reflect all Ex Parte increases up to and including Ex Parte 175 increase of 15%. Average revenues per car mile and per ton mile by districts show a similar gradual increase up through the year 1953 and a falling off since that date.

For example, the average revenue per loaded car mile in 1955 for the Western District was only 105% of the 1950 level, and the average freight revenue per ton mile was only 102% of the 1950 level. The actual average revenue per loaded car mile increased from 26.3 cents in 1946 to 37.6 cents in 1955, an increase of 11.3 cents or 43% during the 10-year period. Similarly, average revenue per ton-mile for the Western District increased for the 10-year period from .979 cents in 1946 to 1.342 cents in 1955, or 37%. Estimated increases in freight rates authorized by the Interstate Commerce Commission for the Western District amounted to 83.4% including Ex Parte 196, as shown on page 5 of Section 1.

—19—

[fol. 482] Average changes in revenue earnings per car-mile or per ton-mile would reflect, among other things, both increases and reductions in rates, changes in consist of

traffic due to diversion of high-rated traffic, and changes in average length of haul.

Pages 3 and 4 of Section 4, reproduced from the Interstate Commerce Commission's Bureau of Transport Economics and Statistics Statement No. RL-1, entitled "Indices of Average Freight Rates on Railroad Carload Traffic 1947-1955", shows the changes in average rates for basic commodity groups. For Products of Agriculture it is shown that the rate level in 1955 ranged from 109% to 125% of the 1950 level. These studies are based upon the 1% Waybill Analyses which was not commenced until 1947. Consequently they do not show the situation and change from 1946 when the post war Ex Parte increase cases commenced. The 1947 figures, therefore, would include the increases authorized in Ex Parte 162, since they became effective January 1, 1947; and part of the 10% interim increase in Ex Parte 166 which was effective for the last two months of 1947.

A comparison between pages 3 and 4 of Section 5 and Section 1 page 5, will show some of the differences between the increases authorized by the Commission and the effective increases maintained by the carriers.

—20—

[fol. 483] Pages 5 to 7 of Section 4 show changes in rate relationships by territorial movement between the years 1947 and 1955 based on 1950. Page 8 of Section 4 shows the similar relationships between inter and intrastate traffic.

On pages 9 through 20 of Section 4 an analysis has been prepared from the Commission's 1% waybill studies, showing for specified commodities for the years 1947-1955 changes in average revenue per shortline car mile. Comparisons are shown for U.S. to U.S. average, Mountain Pacific to U.S. and Mountain Pacific to Mountain Pacific. Since the average car mile revenue is affected by the average loading per car, the average length of haul and the average rate assessed, I have indicated for each comparison the average loading in tons per car and the average shortline haul per car for each of the years.

The car-mile revenues shown on pages 9 to 20 of Section 4 do not fully reflect all of the increases authorized by the Commission in the Ex Parte cases since 1946, primarily because the waybill studies were not compiled prior to 1947. The rates and earnings for that year, as previously stated, would include Ex Parte 162 for the full year and a portion of the Ex Parte 166 interim 10% increase for two months. These pages, however, obviously show the changing pat-

—21—

[fol. 484] tern of rate increases between commodity movements. They also reflect voluntary reductions made by the carriers to maintain traffic movements due to competitive market conditions between shippers or due to truck or water competition. These statistics also obviously reflect any adjustments in individual rates ordered by the Interstate Commerce Commission or state regulatory commissions. On the overall they show that the effective increases in revenues to the carriers has not kept pace with the authorized increases granted by the Interstate Commerce Commission.

Pages 9 to 12 show the changes in car-mile earnings on some of the principal products of agriculture produced in the Pacific Northwest.

For example, on page 9 it is shown that for the transportation of wheat U.S. to U.S. the average tonnage has remained between 52 and 55 tons per car, the average haul ranges between 324 and 393 miles per car. The average revenue per short line car mile shows an increase from 66¢ in 1947 to 104¢ in 1955, or an increase amounting to 158% of the 1947 revenue per car mile. Similar changes are shown for the 10-year period on movements of wheat Mountain Pacific Territory to U.S. and within Mountain Pacific Territory. Of all the products of agriculture shown grain and grain products reflect the greatest actual increases in car mile earnings in the 10-year period.

—22—

[fol. 485] Practically all commodities show a decline in average revenue per short line car mile after the Ex Parte 175 increases became fully effective in 1953.

Pages 13 and 14 show similar information for movements of animals and products, including livestock and wool. While the car-mile earnings on sheep and cattle show substantial increases for both U.S. and Mountain Pacific traffic for the 10-year period, page 8 of Section 3 shows that there has been a large decline in volume of traffic handled by rail during the 10-year period.

Pages 14 and 15 relate to lumber and products of forests. The U.S. Average revenue per car-mile on lumber shows an increase between 1947 and 1952 up to 125% in 1952, and this average declined to 119% in 1955. During the same period the Mountain Pacific to U.S. average increased up to 128% between 1947 and 1952, and shows a decline to 124% in 1955. Obviously the earnings on lumber traffic from Mountain Pacific Territory compare favorably with changes in the average U.S. revenues for the same periods.

Pages 16 to 19 relate to manufactured and miscellaneous articles and show changes in average revenues per car-mile between 1947 and 1955. Where the average loading on a commodity, or the average haul per car, varied substantially during the ten-year period, the car-mile earnings [fol. 486] consequently would show fluctuations which obviously could not be due to changes in freight rates. Under such circumstances blank spaces have been shown in the percentage columns, since percentage changes would not reflect a true picture of rate change. On some commodities within Mountain Pacific Territory the fluctuation in car-mile earnings may be due to the small volume of traffic reflected in the waybill sample.

Page 18 shows that the car-mile revenues on canned goods increased up to 1952, but the average revenues have declined thereafter. The Mountain Pacific to U.S. average earnings on this commodity show a greater increase since 1947 than the U.S. to U.S. average or the Intra-Mountain Pacific average.

Section 4 shows that there has been a substantial variance in the average increase in car-mile earnings between commodities.

In Section No. 5 we have shown for the ten-year period 1946 through 1955 the number of carloads and tonnage originated by Class I railroads serving the State of Oregon. For many commodities statistics were not available in the year 1946, since these commodities were not set out individually in the annual reports. In 1947, in accordance with direction of the Interstate Commerce Commission, changes were made in the commodity statistics reports. Since the [fol. 487] 1% waybill studies were commenced in the year 1947, and data set forth in Sections 3 and 4 was based on 1947, I have shown changes in traffic originated in Oregon in Section 5 related to the year 1947.

Pages 2 and 3 show traffic movements for the principal products of agriculture in this State. Originations of wheat and flour by rail show a decline during the ten-year period. The movement of apples by rail shows a decline to less than 50% of the 1947 originations. During the past ten-year period there has been a substantial increase in the frozen food industry nation-wide, and in this State. The carriers have recognized the transportation needs of this new industry and have proposed maximum increases on these commodities in Ex Parte 206.

Page 3 of Section 5 shows that carloadings of livestock, cattle and calves, as well as sheep and goats, have declined continuously during the ten-year period. The decline in transportation of livestock by rail in Oregon parallels the national decline in handling this traffic by rail as reflected from the 1% Waybill Study shown on page 8 of Section 3.

Page 4 shows originated carload traffic of lumber, plywood and other forest products from this State. Movement of logs shows a substantial decline during the ten-[fol. 488] year period. Log traffic is highly truck competitive and has in the past been subject to all of the percentage increases in freight rates.

During the past ten-year period there has been a tremendous growth in the lumber and forest products industries in this State. There have been innumerable new plywood and veneer plants, as well as lumber mills established

throughout the State. Lumber and forest products are one of the basic industries of this State, the products of which must be marketed throughout the United States.

Page 4 shows that the volume of gasoline and petroleum traffic has remained fairly constant. During this period there have been several major rate reductions by the railroads in the Pacific Northwest, to hold this traffic. The movement of cement has declined in spite of substantial rate reductions. Both petroleum and cement traffic are generally short haul traffic which are highly competitive to motor and barge transportation.

Pages 5 and 6 show traffic originations of manufactured and miscellaneous items. Substantial increases in traffic volume are shown for paperboard, fibreboard and pulpboard and for wallboard. There have been several new manufacturing plants of these commodities established in Oregon during this period which accounts for the growth. There has been a constant decline in the movement of [fol. 489] furniture by rail. Movements of paper articles have remained fairly constant. Shipments of food products or canned goods from this State show some decline compared with ten years ago.

In summary this exhibit shows the extent to which freight rate increases have been authorized by the Interstate Commerce Commission since 1946 and the diminution in recent Ex Parte rate proceeding of hold-downs or maximum increases sought by the carriers or granted by the Commission. It has been shown by precise example how percentage increases in freight rates have altered rate relationships vital to Western shippers. We have shown from the waybill studies the extent to which Western traffic has been marketed East of Mountain Pacific Territory in the past and the decline in the movement of many commodities. Additionally we have shown that increases in car-mile or ton-mile earnings have during the past ten years increased much less than the level of authorized rate increases.

[fol. 490]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket No. 31503 and Sub Numbers.

Appendix A I-384

I.C.C. Docket No. 31503

Transcontinental Divisions

Section No. 1—Analysis of Freight Rate Increases Authorized since June 30, 1946.

Section No. 2—Effect of Cumulative Percentage Increases in Altering Rate Relationships

Section No. 3—Analysis of Traffic Movements between 1947 and 1955

Section No. 4—Changes in Average Freight Rates and Revenues between 1946 and 1955

Section No. 5—Carloadings and Tons Originated in Oregon, 1946-1955

Witness:

Thomas W. Dench, Chief Rate Analyst
Rail Transportation Department
Public Utility Commissioner of Oregon
218 Public Service Building
Salem, Oregon

Submitted on Behalf of:

HOWARD MORGAN
Public Utility Commissioner of Oregon
Intervener,
As Well As
Other Petitioning Intervener Commissions

[fol. 491]

Section 1
Page 1 of 23 pages

Increases in Freight Rates Authorized by the Interstate Commerce Commission

Since June 30, 1946

	Pages
Overall Cumulative Percentage Increases Authorized by Proceeding and Territory	2-4
Estimated Overall Percentage Increases in Freight Rates by Territory and Commodity Groups and Reflecting Maximum Increases or Holddowns	5
Comparison of Increases in Freight Rates Sought by Rail Carriers and Granted by Interstate Commerce Commission in Various Ex Parte Proceedings since 1946	6-23

CUMULATIVE PERCENTAGE INCREASES IN FREIGHT RATES AUTHORIZED BY THE INTERSTATE COMMERCE COMMISSION WITHIN WESTERN, SOUTHERN, AND EASTERN TERRITORIES AND BETWEEN THESE TERRITORIES AND OTHER TERRITORIES SINCE JUNE 30, 1946.

Proceeding	Effective Date	Within Western Territory (Except Zone I of WTL) Percent of Increase	Within Western Territory (Except Zone I of WTL) Cumulative Increase (1)	Between Western Terr. and Zone I of WTL Percent of Increase	Between Western Terr. and Zone I of WTL Cumulative Increase (1)	Between Western Territory and Southern Territory Percent of Increase	Between Western Territory and Southern Territory Cumulative Increase (1)	Between Western Territory and Eastern Territory Percent of Increase	Between Western Territory and Eastern Territory Cumulative Increase (1)
Ex Parte No. 148									
Ex Parte No. 162	(a) July 1, 1946	6% or 3% (Interim)		6% or 3% (Interim)		6% or 3% (Interim)		6% or 3% (Interim)	
Ex Parte No. 162	(2)(b) Jan. 1, 1947	20% (Final)	20%	20% (Final)	20%	20% (Final)	20%	20% or 22½% (Final) (3)	20% or 22½% (3)
Ex Parte No. 166	(c) Oct. 13, 1947	10% (Interim)		10% (Interim)		10% (Interim)		10% (Interim)	
	(d) Jan. 5, 1948	20% (Interim)		20% (Interim)		20% (Interim)		20% (Interim)	
	(e) May 6, 1948	20% (Interim)		25% (Interim)		25% (Interim)		25% (Interim)	
	(f) Aug. 21, 1948	20% (Final)	44%	22½% (Final)	47%	25% (Final)	50%	25% (Final)	50% or 53% (3)
Ex Parte No. 168	(g) Jan. 11, 1949	4% (Interim)		5% (Interim)		5% (Interim)		5% (Interim)	
	(h) Sept. 1, 1949	8% (Final)	56%	9% (Final)	60%	9% (Final)	64%	9% (Final)	64% or 67% (3)
Ex Parte No. 175	(i) April 4, 1951	2% (Interim)		2% (Interim)		2% (Interim)		2% (Interim)	
	(j) Aug. 28, 1951	5% "		6% "		6% "		6% "	
	(k) May 2, 1952	15% (Final)	79%	15% (Final)	84%	15% (Final)	88%	15% (Final)	88% or 92% (3)
Ex Parte No. 196	(l) March 7, 1956	6% (Final)	90%	6% (Final)	95%	6% (Final)	99%	6% (Final)	99% or 103%
Ex Parte No. 206	(m) Dec. 28, 1956	5% (Interim)	99%	5% (Interim)	105%	5% (Interim)	109%	5% (Interim)	109% or 114%
	(n) Proposed	17%	133%	17%	140%	17%	145	17%	145% or 150%

[fol. 493]

GENERAL PERCENTAGE INCREASES IN FREIGHT RATES AUTHORIZED BY THE INTERSTATE COMMERCE COMMISSION WITHIN WESTERN, SOUTHERN, AND EASTERN TERRITORIES AND BETWEEN THESE TERRITORIES AND OTHER TERRITORIES SINCE JUNE 30, 1946.

Proceeding	Effective Date	Within Eastern Territory		Between Eastern Territory and Zone 1 of WTL Territory		Between Eastern Territory and Southern Territory		Within Southern Territory	
		Percent of Increase	Cumulative Increase (1)	Percent of Increase	Cumulative Increase (1)	Percent of Increase	Cumulative Increase (1)	Percent or Increase	Cumulative Increase (1)
Ex Parte No. 148		(4)							
Ex Parte No. 162	(a) July 1, 1946	11% or 8% (Interim)		6% or 3% (Interim)		6% or 3% (Interim)		6% or 3% (Interim)	
Ex Parte No. 162	(2) (b) Jan. 1, 1947	(3) 20% or 25% (Final)	(3) 20% or 25%	(3) 20% or 22½% (Final)	(3) 20% or 22½%	(3) 20% or 22½% (Final)	(3) 20% or 22½%	20% (Final)	20%
Ex Parte No. 166	(c) Oct. 12, 1947	10% (Interim)		10% (Interim)		10% (Interim)		10% (Interim)	
	(d) Jan. 5, 1948	20% (Interim)		20% (Interim)		20% (Interim)		20% (Interim)	
	(e) May 6, 1948	30% (Interim)	(3)	25% (Interim)	(3)	25% (Interim)	(3)	25% (Interim)	
	(f) Aug. 21, 1948	30% (Final)	56% or 63%	25% (Final)	50% or 53%	25% (Final)	50% or 53%	25% (Final)	50%
Ex Parte No. 168	(g) Jan. 11, 1949	6% (Interim)	(3)	5% (Interim)	(3)	6% (Interim)	(3)	6% (Interim)	
	(h) Sept. 1, 1949	10% (Final)	72% or 79%	9% (Final)	64% or 67%	10% (Final)	65% or 68%	10% (Final)	65%
Ex Parte No. 175	(i) April 4, 1951	4% (Interim)		2% (Interim)		2% (Interim)		2% (Interim)	
	(j) Aug. 28, 1951	9% "	(3)	6% "	(3)	6% "	(3)	6% "	
	(k) May 2, 1952	15% (Final	97% or 106%	15% (Final)	88% or 92%	15% (Final)	90% or 94%	15% (Final)	90%
Ex Parte No. 196	(l) March 7, 1956	6% (Final)	(3) 109% or 118%	6% (Final)	(3) 99% or 103%	6% (Final)	(3) 101% or 105%	6% (Final)	101%
Ex Parte No. 206	(m) December 28, 1956	7% (Interim)	(3) 124% or 133%	5% (Interim)	(3) 109% or 114%	5% (Interim)	(3) 111% or 115%		
	(n) Proposed	15%	157% or 168%	17%	145% or 150	17%	147% or 152%		

[fol. 494]

EXPLANATION OF REFERENCE MARKS

ON PRECEEDING PAGES

(1) Cumulative Percentage Increases are mathematical compilations only which do not reflect maximums or hold downs granted on specific commodities; instances where full increases were not put into effect by petitioners; or where reductions have been voluntarily made by petitioners. Fractions are disposed of in accordance with tariff rules.

(2) Increases authorized superceded prior increases effective July 1, 1946.

(3) Class rates, less carload rates and rates on manufactured and miscellaneous articles increased within Eastern Territory by 25 %, and between Eastern and other territories 22½ % in Ex Parte No. 162 - 266 I.C.C. 616.

(4) Based on Ex Parte No. 148, 6% increase on general commodities and 3 % on products of agriculture and other articles, as described, plus additional 5% authorized in Official Classification Territory.

(a) 264 I.C.C. 695
(b) 266 I.C.C. 537
(c) 269 I.C.C. 33
(d) 270 I.C.C. 81
(e) 270 I.C.C. 93
(f) 270 I.C.C. 403
(g) 272 I.C.C. 695
(h) 276 I.C.C. 9
(i) 280 I.C.C. 179
(j) 281 I.C.C. 557
(k) 284 I.C.C. 589
289 I.C.C. 395
297 I.C.C. 17
(l) 298 I.C.C. 279
(m) Order issued December 17, 1956 in Docket Ex Parte 206
(n) Sought by petitioners in amended petition field January 11, 1957

ESTIMATED OVERALL PERCENTAGE INCREASES IN FREIGHT RATES AUTHORIZED BY THE INTERSTATE COMMERCE COMMISSION SINCE JUNE 30, 1946, INCLUDING EX PARTE 196
AND
REFLECTING THE EFFECT OF MAXIMUM INCREASES OR HOLD DOWNS

	(1) United States	(2) Eastern District	(2) Pocahantas Region	(2) Southern Region	(2) Western District
I Products of Agriculture, C.L.	74.8%	89.5%	82.8%	78.8%	72.0%
Grain & Grain Products	79.1				
Citrus Fruits	60.4				
Other Fresh Fruits	59.5				
Fresh Vegetables	63.4				
Other Products of Agriculture	90.2				
II Animals & Products, C.L.	94.1%	100.7	101.0	95.2	88.3
Livestock	86.1				
Meat & Other Edible Packinghouse Products	97.8				
Other Animals & Products	97.7				
III Products of Mines, C.L.	69.2%	71.1	68.8	71.4	64.1
Coal & Coke	66.3				
Iron Ore	49.8				
Other Ores & Concentrates	75.8				
Gravel, sand, rough and crushed stone	89.6				
Other Products of Mines	85.9				
IV Products of Forests, C.L.	94.1%	99.4	99.7	100.2	90.3
Logs, Fuel & Pulp wood	95.8				
Lumber, (posts; poles; piling, ties; shingles; lath; box, crate & cooperage materials; plywood, building woodwork, etc)	93.4				
Other Products of Forest	100.9				
V & VI Manufactures & Miscellaneous, C.L. & Forwarder Traffic, C.L.	100.1%	109.1	108.7	98.1	91.3
Petroleum Products	95.1				
Vegetable Oils	98.2				
Iron & Steel Group	101.5				
Aluminum, copper, lead and zinc metals & alloys	96.3				
Cement, lime and plaster	96.6				
Brick list, drain tile, etc.	89.2				
Sugar, syrup and packaged foodstuff	95.3				
Other manufactures and miscellaneous and forwarder traffic	101.5				
VII Less-Carload Traffic	103.1	111.9	111.9	100.5	92.5
GRAND TOTAL, ALL TRAFFIC	88.8%	93.4%	85.2%	89.6%	83.4%

SOURCE: Interstate Commerce Commission Bureau of Transport Economics & Statistics
(1) Monthly Comments on Transport Economics for May, 1956, Page 9
(2) " " " " " " April, 1956 Page 4.

Comparison of Increases in Freight Rates Sought by Rail Carriers and Granted by Interstate Commerce Commission in Various Ex Parte Proceedings Since 1946

	EX PARTE NO. 162		EX PARTE NO. 166	
	Sought by Rail Lines in Petition Dated April 15, 1946	Granted by Interstate Commerce Commission 266 I.C.C. 537 Decided Dec. 5, 1946	Sought by Rail Lines in Petition Dated Dec. 3, 1947	Granted by Interstate Commerce Commission 270 I.C.C. 403 Decided July 27, 1948
In General				
Within: Official Territory	25%	20% - (1) 25%	41%	30%
Southern	25	20%	31	25
Western	25	20	31	20
Zone 1 of W.T.L.	25	20	-	25
Between: Official & Western	25	20% - (1) 22½%	41	25
Official & Southern	25	20% - (1) 22½%	41	25
Western & Southern	25	20	31	25
Zone 1 W. T. L. & Official	25	20% - (1) 22½%	-	25
Zone 1 W. T. L. & Southern	25	20	-	25
Zone 1 W. T. L. & Western	25	20	-	22½
Exceptions to Percentage Increases				
(2) Item No. Class of Commodities				
Products of Agriculture				
140 Alfalfa		15%		
Products of Agriculture, nos. (except as indicated, 266 I.C.C. 619)		15		
205 Beans & Peas, dried, etc.		15		
345 Cotton, in bales	Max. 10¢ per 100	Max. 10¢ per 100	Max. 11¢ per 100	Max. 11¢ per 100
350 Cotton Linter Pulp, etc.		15%		Max. 14¢ per 100
355 Cotton waste or refuse, etc.		15		Max. 11¢ per 100
360 Cottonseed		15		
490 Food Products (canned goods) (4) Transcontinental		20% - Max. 13¢ per 100 25%		
495 Citrus Fruits	Max. 15¢ per 100	Max. 13¢ per 100	Max. 22¢ per 100	Max. 20¢ per 100
Fresh fruits, viz.	Max. 15¢ per 100	Max. 13¢ per 100	Max. 22¢ per 100	Max. 22¢ per 100
1125 Vegetables, fresh or green	Max. 15¢ per 100	15% - Max. 13¢ per 100	Max. 22¢ per 100	Max. 22¢ per 100
500 1130 Fruit & Vegetables, fresh, frozen				
515 Grain & Grain Products		15%		25% in Official Territory

[fol. 497]

	EX PARTE NO. 168		EX PARTE NO. 175	
	Sought by Rail Lines in Petition Dated October 12, 1948	Granted by Interstate Commerce Commission 276 I.C.C. 9 Decided Aug. 2, 1949	Sought by Rail Lines in Petition Dated October 19, 1951	Granted by Interstate Commerce Commission 284 I.C.C. 589 297 I.C.C. 17 Decided April 11, 1952
In General				
Within: Official Territory	13%	10%	15%	15%
Southern	13	10	15	15
Western	13	8	15	15
Zone I of W.T.L.	13	9	15	15
Between: Official & Western	13	9	15	15
Official & Southern	13	10	15	15
Western & Southern	13	9	15	15
Zone 1 W.T.L. & Official	13	9	15	15
Zone 1 W.T.L. & Southern	13	9	15	15
Zone 1 W.T.L. & Western	13	9	15	15
Exceptions to Percentage Increases				
(2) Item No. / Class of Commodities				
Products of Agriculture				
140 Alfalfa				
Products of Agriculture, nos. (except as indicated, 266 I.C.C. 619)				
205 Beans & Peas, dried, etc.				
345 Cotton, in bales				
350 Cotton Linter Pulp, etc.				
355 Cotton waste or refuse, etc.				
360 Cotton seed				
490 Food Products (canned goods) (4) Transcontinental				Max. 12¢ per 100
495 Citrus Fruits	Max. 12¢ per 100	Max. 9¢ per 100	Max. 15¢ per 100	Max. 12¢ per 100
Fresh fruits, viz.	Max. 12¢ per 100	Max. 9¢ per 100	Max. 15¢ per 100	Max. 12¢ per 100
1125 Vegetables, fresh or green	Max. 12¢ per 100	Max. 9¢ per 100	Max. 15¢ per 100	Max. 12¢ per 100
500, 1130 Fruit & Vegetables, fresh, frozen				Max. 12¢ per 100
515 Grain & Grain Products				12% all territories

[fol. 498]

Section 1
Page 8 of 23 pages

		EX PARTE NO. 196		EX PARTE NO. 206		Ex Parte 206 (Additional)
		Sought by Rail Lines in Master Tariff X-196 filed December 30, 1955	Granted by Interstate Commerce Commission 298 I.C.C. 279 March 2, 1956	Sought by Rail Lines In Petition Dated November 6, 1956	Granted by Interstate Commerce Commission Decided December 17, 1956	Sought by Rail Lines In Petition Dated • Jan. 11, 1957
In General		7%	6%	7%	7%	22%
Within:	Official Territory			# 7%	# 7%	-
	Southern "			7%	5%	22
	Western "	7	6	7	5	22
	Zone 1 of W.T.L.	7	6	7	5	22
		7	6	7	5	22
Between:	Official & Western	7	6	7	5	22
	Official & Southern	7	6	7	5	22
	Western & Southern	7	6	7	5	22
	Zone 1 W.T.L. & Official	7	6	7	5	22
	Zone 1 W.T.L. & Southern	7	6	7	5	22
	Zone 1 W.T.L. & Western	7	6	7	5	22
Exceptions to Percentage Increases						
Item No.	Class of Commodities					
Products of Agriculture						
140	Alfalfa Products of Agriculture, nos. (except as indicated, 266 I.C.C. 619)					
205	Beans & Peas, dried, etc.					
345	Cotton, in bales		Max. 9¢ per 100 lbs.		Max. 8¢ per 100 lbs.	
350	Cotton Linter Pulp, etc.					
355	Cotton waste or refuse, etc.					
360	Cottonseed					
490	Food Products (canned goods)		Max. 6¢ per 100 lbs.	Max. 8½¢ per 100 lbs.	Max. 7¢ per 100 lbs.	Max. 27¢ per 100
	(4) Transcontinental		Max. 6¢ per 100 lbs.	Max. 8½¢ per 100 lbs.	Max. 7¢ per 100 lbs.	Max. 27¢ per 100
495	Citrus Fruits		Max. 6¢ per 100 lbs.	Max. 8½¢ per 100 lbs.	Max. 7¢ per 100 lbs.	Max. 27¢ per 100
	Fresh fruits, viz.		Max. 6¢ per 100 lbs.	Max. 8½¢ per 100 lbs.	Max. 7¢ per 100 lbs.	Max. 27¢ per 100
1125	Vegetables, fresh or green		Max. 6¢ per 100 lbs.	Max. 8½¢ per 100 lbs.	Max. 7¢ per 100 lbs.	Max. 27¢ per 100
500	Fruit & Vegetables, fresh, frozen			Max. 8½¢ per 100 lbs.	Max. 7¢ per 100 lbs.	Max. 27¢ per 100
1130						
515	Grain & Grain Products		5% all territories		5% all territories	

• Increase sought include increases authorized on an interim basis Dec. 17, 1956

Sought by Southern Lines in petition filed Nov. 14, 1956 - Decision pending

[fol. 499]

Section 1
Page 9 of 23 pages

Exceptions to Percentage Increases (Continued) (2)Item No.	Class of Commodities	EX PARTE NO. 162 Sought by Rail Lines in Petition Dated April 15, 1946	EX PARTE NO. 162 Granted by Interstate Commerce Commission 266 I.C.C. 537 Decided Dec. 5, 1946	EX PARTE NO. 166 Sought by Rail Lines in Petition Dated Dec. 3, 1947	EX PARTE NO. 166 Granted by Interstate Commerce Commission 270 I.C.C. 403 Decided July 27, 1948
Products of Agriculture (Cont.)					
540	Hay & Straw		15%		
710	Nuts, edible				Max. 22¢ per 100
790	Peanuts, in the shell		15		Max. 22¢ per 100
1040	Sugar Beets		15		
1110	Tobacco, Leaf, etc.		15		
455	Flaxseed		15		
	Vegetables, dry, nos.		15		
Animals & Products					
510	Glue stock, inedible				Max. 8¢ per 100
590	Lard & vegetable oil shortenings				
625	Livestock		15		
685, 775	Fresh Meats, Packing house products		20% all territories		
865	Poultry, live		15		
1175	Wool & Mohair		Max. 20¢ per 100		Max. 30¢ per 100
1185	Wool & Mohair, noils & tops		Max. 20¢ per 100		Max. 30¢ per 100
Products of Forests					
245	Box, crate or cooperage materials, wooden	Max. 10¢ per 100	Max. 10¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
260	Building, woodwork and millwork, as described		Max. 10¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
630	Logs, etc.		Max. 8¢ per 100	Max. 13¢ per 100	25% in Official Territory
635	Lumber & Articles taking lumber rates	Max. 10¢ per 100	Max. 10¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
855	Posts, Poles & Piling, wooden	Max. 10¢ per 100	Max. 10¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
870	Pulpwood		Max. 8¢ per 100	Max. 13¢ per 100	25% in Official Territory
1095	Ties, mine or railroad, wooden	Max. 10¢ per 100	Max. 10¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
1135	Veneer & Plywood, etc.	Max. 10¢ per 100	Max. 10¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
1165	Wood, fuel		Max. 8¢ per 100	Max. 13¢ per 100	25% in Official Territory
1170	Woodpulp	Max. 10¢ per 100	Max. 10¢ per 100	Max. 20¢ per 100	Max. 14¢ per 100
Products of Mines					
1190	Anthracite coal (general)	15¢ to 40¢ per ton	15¢ to 30¢ per ton	(3) 20¢ to 50¢ per ton	(3) 20% - Max. 2¢ per 100
1193	Bituminous coal (general)	15¢ to 40¢ per ton	15¢ to 30¢ per ton	(3) 30¢ per ton	(3) 20% - Max. 2¢ per 100
1194	Coke, etc.	15¢ to 40¢ per ton	15¢ to 30¢ per ton	20¢ to 50¢ per ton (3)	20% - Max. 2¢ per 100

Exceptions to Percentage Increases (continued)

(2) Item No.	Class of Commodities	EX PARTE NO. 168 Sought by Rail Lines in Petition Dated October 12, 1948	EX PARTE NO. 168 Granted by Interstate Commerce Commission 276 I.C.C. 9 Decided Aug. 2, 1949	EX PARTE NO. 175 Sought by Rail Lines in Petition Dated Oct. 19, 1951	EX PARTE NO. 175 Granted by Interstate Commerce Commission 284 I.C.C. 589 297 I.C.C. 17 Decided April 11, 1952
	Products of Agriculture (cont.)				
540	Hay & Straw				Max. 12¢ per 100
710	Nuts, edible				Max. 12¢ per 100
790	Peanuts, in the shell				
1040	Sugar Beets				
1110	Tobacco, Leaf, etc.				
455	Flaxseed				
	Vegetables, dry, nos.				
	Animals & Products				
510	Glue stock, inedible				
590	Lard & Vegetable oil shortenings				
625	Livestock				
685	Fresh Meats				
775	Packing House Products				
865	Poultry Live				
1175	Wool & Mohair				
1185	Wool & Mohair, noils & tops				
	Products of Forests				
245	Box, crate or cooperage materials, wooden				Max. 14¢ per 100
260	Building, woodwork and millwork, as described				
630	Logs, etc.				
635	Lumber & articles taking lumber rates	Max. 8¢ per 100	Max. 6¢ per 100	Max. 10¢ per 100	Max. 12¢ per 100
855	Posts, Poles & Piling, wooden				
870	Pulpwood				
1095	Ties, mine or railroad, wooden				
1135	Veneer & Plywood, etc.				
1165	Wood, fuel				
1170	Woodpulp				
	Products of Mines				
1190	Anthracite coal (general)	40¢ per ton	(3) Max. 35¢ per net ton	23¢ to 50¢ per ton	12% - Max. 40¢ per net ton
1193	Bituminous coal (general)	40¢ per ton	(3) Max. 35¢ per net ton	23¢ to 50 ¢ per ton	12% - Max. 40¢ per net ton
1194	Coke, etc.	40¢ per ton	(3) Max. 35¢ per net ton	23¢ to 50¢ per ton	12% - Max. 40¢ per net ton

Exceptions to Percentage Increases (continued)		EX PARTE NO. 196		EX PARTE NO. 206 (interim)		EX PARTE NO. 206 (additional)	
(2) Item No.	Class of Commodities	Sought by Rail Lines in Master Tarif X-196 filed December 30, 1955	Granted by Interstate Commerce Commission 298 I.C.C. 279 March 2, 1956	Sought by Rail Lines in Petition Dated Nov. 6, 1956	Granted by Interstate Commerce Commission Decided Dec. 17, 1956	Sought by Rail Lines in Petition Dated * Jan. 11, 1957	
	Products of Agriculture (cont.)						
540	Hay & Straw						
710	Nuts, edible		Max. 6¢ per 100 lbs.		Max. 7¢ per 100 lbs.		
790	Peanuts, in the shell		Max. 11¢ per 100 lbs.		Max. 11¢ per 100 lbs.		
1040	Sugar Beets						
1110	Tobacco, Leaf, etc.						
455	Flaxseed						
	Vegetables, dry, nos.						
	Animals & Products						
510	Glue stock, inedible						
590	Lard & Vegetable oil shortenings				5% all territories		
625	Livestock		5% all territories		5% all territories		
685	Fresh Meats		5% all territories		5% all territories		
775	Packing House Products		5% all territories		5% all territories		
865	Poultry, Live						
1175	Wool & Mohair						
1185	Wool & Mohair, noils & tops						
	Products of Forests						
245	Box, crate or cooperage materials, wooden						
260	Building, woodwork and millwork, as described		Max. 7¢ per 100 lbs.		Max. 7¢ per 100 lbs.		
630	Logs, etc.						
635	Lumber & articles taking lumber rates		Max. 6¢ per 100 lbs.	Max. 6¢ per 100 lbs.	Max. 6¢ per 100 lbs.	Max. 18¢ per 100 lbs.	
855	Posts, Poles & Piling, wooden						
870	Pulpwood						
1095	Ties, mine or railroad, wooden						
1135	Veneer & Plywood, etc.						
1165	Wood, fuel						
1170	Woodpulp						
	Products of Mines						
1190	Anthracite coal (general)	6% Max. 15¢ per ton		10¢ per net ton	10¢ per net ton	5¢ per net ton	
1193	Bituminous coal (general)	6% " " " "		10¢ " " "	10¢ " " "	5¢ per net ton	
1194	Coke, etc.	6% " " " "		10¢ " " "	10¢ " " "	5¢ per net ton	

* Increases sought include increases authorized on an interim basis Dec. 17, 1956.

[fol. 502]

Section 1
Page 12 of 23 pages

Exceptions to Percentage Increases (Continued)		EX PARTE NO. 162		EX PARTE NO. 166	
		Sought by Rail Lines in Petition Dated April 15, 1946	Granted by Interstate Commerce Commission 266 I.C.C. 537 Decided Dec. 5, 1946	Sought by Rail Lines in Petition Dated December 3, 1947	Granted by Interstate Commerce Commission 270 I.C.C. 403 Decided July 27, 1948
(2) Item No.	Class of Commodities				
	Products of Mines (Cont.)				
1195	Lignite, coal	15¢ to 40¢ per ton	7½¢ to 15¢ per ton	30¢ per ton	10% - Max. 1¢ per 100
155	Aplite Rock				Max. 3¢ per 100
170	Asphlat, in tank cars	Max. 6¢ per 100	Max. 6¢ per 100	Max. 10¢ per 100	Max. 10¢ per 100
200	Barytes				Max. 6¢ per 100
290	Cinders, as described		15¢ per net ton	Max. 33¢ per ton	Max. 3¢ per 100
295	Clay common, etc., in open cars		Max. 6¢ per 100		Max. 1½¢ per 100
300	Clay common, etc., in closed cars		Max. 6¢ per 100		Max. 6¢ per 100
305	Coal Ashes & Cinders		15¢ per net ton	Max. 33¢ per ton	Max. 1½¢ per 100
395	Dolomite, crude, in open cars	Max. 30¢ per ton	15¢ per net ton	Max. 33¢ per ton	Max. 1½¢ per 100
400	Dolomite, crude, in closed cars	Max. 30¢ per ton	Max. 30¢ per net ton	Max. 33¢ per ton	Max. 3¢ per 100
405	Dolomite, Roasted			Max. 83¢ per ton	Max. 6¢ per 100
410 & 415	Earth, infusorial, etc.		Max. 6¢ per 100		Max. 6¢ per 100
420	Earth, Fuller's, spent		Max. 15¢ per net ton		Max. 1½¢ per 100
435	Feldspar, etc.				Max. 6 ¢ per 100
485	Flourspar				Max. 6¢ per 100
530	Gypsum, etc., in open cars		Max. 30¢ per ton		Max. 1½¢ per 100
535	Gypsum, etc., in closed cars		Max. 30¢ per ton		Max. 3¢ per 100
605	Limestone, etc., in open cars		Max. 15¢ per ton	Max. 33¢ per ton	Max. 1½¢ per 100
610	Limestone, etc., in closed cars		Max. 30¢ per ton	Max. 33¢ per ton	Max. 3¢ per 100
615	Limestone, Asphaltic	20¢ per ton	Max. 30¢ per ton		Max. 3¢ per 100
640	Magnesite, etc.				Max. 6¢ per 100
670	Marl, etc., in open cars		Max. 15¢ per ton	Max. 33¢ per ton	Max. 1½¢ per 100
675	Marl, etc., in closed cars		Max. 15¢ per ton	Max. 33¢ per ton	Max. 3¢ per 100
735	Ore, Iron	12¢ per ton	(3)12¢ per ton	Max. 30¢ per ton	(3) 20% - Max. 1½¢ per 100
740	Kyanite Ore		Max. 6¢ per 100		Max. 6¢ per 100
745	Bauxite & Aluminum ores		12¢ per ton		Max. 1½¢ per 100
750	Pyrites, Iron				Max. 1½¢ per 100
755 to 771	Ores: Chrome, Ilmerite Manganese, Copper, Lead Zinc, etc.				Max. 1½¢ per 100
820	Phosphate Rock, as described		Max. 30¢ per ton		Max. 5¢ per 100
825	Phosphatic Sand & Clay		Max. 30¢ per ton		Max. 3¢ per 100

Exceptions to Percentage Increases (Continued)

(2) Item No.	Class of Commodities	EX PARTE NO. 168 Sought by Rail Lines in Petition October 12, 1948	EX PARTE NO. 168 Granted by Interstate Commerce Commission 276 I.C.C. 9 Decided Aug. 2, 1949	EX PARTE NO. 175 Sought by Rail Lines in Petition Dated Oct. 19, 1951	EX PARTE NO. 175 Granted by Interstate Commerce Commission 284 I.C.C. 589 297 I.C.C. 17 Decided April 11, 1952
	Products of Mines (Cont.)				
1195	Lignite, coal	40¢ per ton	Max. 18¢ per net ton	23¢ to 50¢ per ton	6% Max. 20¢ per net ton
155	Aphlite Rock				
170	Asphalt, in tank cars				
200	Barytes				
290	Cinders, as described				
295	Clay, common, etc., in open cars				
300	Clay, common, etc., in closed cars				
305	Coal Ashes & Cinders				
395	Dolomite, crude, in open cars				
400	Dolomite, crude, in closed cars				
405	Dolomite, Roasted				
410 & 415	Earth, infusorial, etc.				
420	Earth, Fuller's, spent				
435	Feldspar, etc.				
485	Flourspar				
530	Gypsum, etc., in open cars				
535	Gypsum, etc., in closed cars				
605	Limestone, etc., in open cars				
610	Limestone, etc., in closed cars				
615	Limestone, Asphaltic				
640	Magnesite, etc.				
670	Marl, etc., in open cars				
675	Marl, etc., in closed cars				
735	Ore, Iron	Max. 34¢ per ton	(3) Max. 35¢ per ton		12% all territories
740	Kyanite Ore				
745	Bauxite & Aluminum Ores				
750	Pyrites, Iron				
755 to 771	Ores: Chrome, Ilmenite, Manganese, Copper, Lead Zinc, etc.				
820	Phosphate Rock, as described				Max. 60¢ per net ton
825	Phosphatic Sand & Clay				Max. 60¢ per net ton

[fol. 504]

Exceptions to Percentage Increases (Continued)

(2) Item No.	Class of Commodities	EX PARTE NO. 196 Sought by Rail Lines in Master Tariff X-196 Filed December 30, 1955	EX PARTE NO. 196 Granted by Interstate Commerce Commission 298 I.C.C. 279 March 2, 1956	EX PARTE NO. 206 (Interim) Sought by Rail Lines in Petition Dated Nov. 6, 1956	EX PARTE NO. 206 (Interim) Granted by Interstate Commerce Commission Decided December 17, 1956	Ex Parte No. 206 (additional) Sought by Rail Lines In Petition Dated * Jan. 11, 1957
	Products of Mines (Cont.)					
1195	lignite, coal		3¢ Max. 7¢ per net ton	10¢ per net ton	5¢ per net ton	5¢ per net ton
155	Aphlite, Rock					
170	Asphalt, in tank cars					
200	Barytes					
290	Cinders, as described					
295	Clay, common, etc., in open cars					
300	Clay, common, etc., in closed cars					
305	Coal Ashes & Cinders					
395	Dolomite, crude in open cars					
400	Dolomite, crude, in closed cars					
405	Dolomite, Roasted					
410 & 415	Earth, infusorial, etc.					
420	Earth, Fuller's spent					
435	Feldspar, etc.					
485	Flourspar					
530	Gypsum, etc. in open cars					
535	Gypsum, etc. in closed cars					
605	Limestone, etc., in open cars					
610	Limestone, etc., in closed cars					
615	Limestone, Asphaltic					
640	Magnesite, etc.					
670	Marl, etc., in open cars					
675	Marl, etc., in closed cars					
735	Ore, Iron					
740	Kyanite Ore					
745	Bauxite & Aluminum Ores					
750	Pyrites, Iron					
755 to 771	Ores; Chrome, Ilmenite, Manganese, Copper, Lead, Zinc, etc.					
820	Phosphate Rock, as described		Max. 30¢ per ton		Max. 30¢ per net ton	
825	Phosphatic Sand & Clay		Max. 30¢ per ton		Max. 30¢ per net ton	

* Increases sought include increases authorized on an interim basis Dec. 17, 1956

Exceptions to Percentage Increases (continued) (2) Item No.	Class of Commodities	EX PARTE NO. 162 Sought by Rail Lines in Petition Dated April 15, 1946	EX PARTE NO. 162 Granted by Interstate Commerce Commission 266 I.C.C. 537 Decided Dec. 5, 1946	EX PARTE NO. 166 Sought by Rail Lines in Petition Dated Dec. 3, 1947	EX PARTE NO. 166 Granted by Interstate Commerce Commission 270 I.C.C. 403 Decided July 27, 1948
Products of Mines (Cont.)					
875	Pumice, crude, in open cars		15¢ per ton	Max. 33¢ per ton	Max. 1½¢ per 100
880	Pumice, crude, in closed cars		Max. 30¢ per ton	Max. 33¢ per ton	Max. 3¢ per 100
885	Pyrites, cinder				Max. 1½¢ per 100
913	Rock, Bituminous Asphalt	20¢ per net ton	Max. 30¢ per ton		Max. 3¢ per 100
915	Perlite, rock, crude		Max. 30¢ per ton	Max. 33¢ per ton	Max. 3¢ per 100
920 & 957	Rock, etc., asphalt, coated, etc.	20¢ per ton	Max. 30¢ per ton		Max. 3¢ per 100
930	Roofing Chips, or granules {in open cars				Max. 1½¢ per 100
	{in closed cars				Max. 3¢ per 100
935	Salt, common, etc.		Max. 6¢ per 100	Max. 3¢ per 100	Max. 3¢ per 100
945	Sand, moulding, etc.	40¢ per ton	Max. 30¢ per ton	Max. 66¢ per ton	Max. 3¢ per 100
950	Sand or Gravel, in open cars	20¢ per ton	15¢ per net ton	Max. 33¢ per ton	Max. 1½¢ per 100
955	Sand or Gravel, in closed cars	20¢ per ton	Max. 30¢ per net ton	Max. 33¢ per ton	Max. 3¢ per 100
965	Shells, ground, etc., in open cars	20¢ per ton	15¢ per ton	Max. 33¢ per ton	Max. 1½¢ per 100
970	Shells, ground, etc. in closed cars	20¢ per ton	Max. 30¢ per net ton	Max. 33¢ per ton	Max. 3¢ per 100
975 & 985	Slag, furnace, etc.	20¢ per ton	15¢ per ton	Max. 33¢ per ton	Max. 1½¢ per 100
980	Ground, slag, as described		Max. 6¢ per 100		Max. 8¢ per 100
990	Soapstone or Talc., etc.				Max. 6¢ per 100
1010 to 1025	Stone, crushed, as described, {in open cars	20¢ per ton	15¢ per ton	Max. 33¢ per ton	Max. 1½¢ per 100
	{in closed cars	20¢ per ton	Max. 30¢ per ton	Max. 33¢ per ton	Max. 3¢ per 100
1050	Sulphur	1¢ per 100	Max. 2¢ per 100	Max. 1½¢ per 100	Max. 9¢ per 100
1060	Tailings, Iron Ore		15¢ per net ton	Max. 33¢ per ton	Max. 1½¢ per 100
1080	Tar & Pitch, as described		Max. 6¢ per 100	Max. 10¢ per 100	Max. 10¢ per 100
1085	Terrazo aggregate, in open cars		Max. 30¢ per net ton		Max. 1½¢ per 100
1090	Terrazo aggregate, in closed cars		Max. 30¢ per net ton		Max. 3¢ per 100
1140	Vermiculite, crude		Max. 30¢ per net ton	Max. 66¢ per ton	Max. 3¢ per 100
1145	Volcanic Scoria {in open cars		15¢ per net ton	Max. 33¢ per ton	Max. 1½¢ per 100
1150	or cinders {in closed cars			Max. 33¢ per ton	Max. 3¢ per 100
Manufactured & Miscellaneous					
145	Aluminum, pig, etc.		20% - Max. 10¢ per 100		Max. 16¢ per 100
150	Aluminum Articles, as described		20% - Max. 12¢ per 100		Max. 16¢ per 100
180	Axles, railway, car, etc.	Max. 4¢ per 100	20% - Max. 10¢ per 100	Max. 11¢ per 100	Max. 16¢ per 100

[fol. 506]

(2) Item No.	Class of Commodities	EX PARTE NO. 168 Sought by Rail Lines in Petition Dated October 12, 1948	EX PARTE NO. 168 Granted by Interstate Commerce Commission 276 I.C.C. 9 Decided Aug. 2, 1949	EX PARTE NO. 175 Sought by Rail Lines in Petition Dated October 19, 1951	EX PARTE NO. 175 Granted by Interstate Commerce Commission 284 I.C.C. 589 297 I.C.C. 17 Decided April 11, 1952
	Exceptions to Percentage Increase (Continued)				
	Products of Mines (Cont.)				
875	Pumice, crude, in open cars				
880	Pumice, crude, in closed cars				
885	Pyrites, cinders				
913	Rock, Bituminous, Asphalt				
915	Perlite, Rock, crude				
920 & 957	Rock, etc., asphalt, coated, etc.				
930	Roofing Chips or granules { in open cars / in closed cars				
935	Salt, common, etc.				60¢ per net ton
945	Sand, Moulding, etc.				
950	Sand or Gravel, in open cars				12% all territories
955	Sand or Gravel, in closed cars				
965	Shells, ground, etc., in open cars				12% all territories
970	Shells, ground, etc. in closed cars				
975 & 985	Slag, furnace, etc.				12% all territories
980	Ground slag, as described				
990	Soapstone or Talc., etc.				
1010 to 1025	Stone, crushed as described { in open cars / in closed cars				12% all territories
1050	Sulphur				
1060	Tailings, Iron Ore				
1080	Tar & Pitch, as described				
1085	Terrazo aggregate, in open cars				
1090	Terrazo aggregate, in closed cars				
1140	Vermiculite, crude				
1145	Volcanic Scoria or cinders { in open cars / in closed cars				
	Manufactured & Miscellaneous				
145	Aluminum, pig, etc.				
150	Aluminum Articles, as described				
180	Axles, railway, car, etc.				

Exceptions to Percentage Increase (Continued)

(2) Item No.	Class of Commodities	EX PARTE NO. 196 Sought by Rail Lines in Master Tariff X-196 filed Dec. 30, 1955	EX PARTE NO. 196 Granted by Interstate Commerce Commission 298 I.C.C. 279 March 2, 1956	EX PARTE NO. 206 (Interim) Sought by Rail Lines in Petition Dated Nov. 6, 1956	EX PARTE NO. 206 (Interim) Granted by Interstate Commerce Commission Decided Dec. 17, 1956	EX PARTE NO. 206 (additional) Sought by Rail Lines in Petition Dated * Jan. 11, 1957
	Products of Mines (Continued)					
875	Pumice, crude, in open cars					
880	Pumice, crude, in closed cars					
885	Pyrites, cinders					
913	Rock, Bituminous, Asphalt					
915	Perlite, Rock, crude					
920 & 957	Rock, etc., asphalt					
930	Roofing Chips in open cars or granules in closed cars					
935	Salt, common, etc.		Max. 30¢ per ton		Max. 30¢ per net ton	
945	Sand, Moulding, etc.					
950	Sand or Gravel, in open cars					
955	Sand or Gravel, in closed cars					
965	Shells, ground, etc., in open cars					
970	Shells, ground, etc., in closed cars					
975 & 985	Slag, furnace, etc.					
980	Ground slag, as described					
990	Soapstone or Talc., etc.					
1010 to 1025	Stone, crushed as described { in open cars / in closed cars					
1050	Sulphur					
1060	Tailings, Iron Ore					
1080	Tar & Pitch, as described					
1085	Terrazo aggregate, in open cars					
1090	Terrazo aggregate, in closed cars					
1140	Vermiculite, crude					
1145	Volcanic Scoria or cinders { in open cars / in closed cars					
	Manufactured & Miscellaneous					
145	Aluminum, pig, etc.					
150	Aluminum Articles, as described					
180	Axles, railway, car, etc.					

* Increases sought include increases authroized on an interim basis Dec. 17, 1956

(2) Item No.	Exceptions to Percentage Increases (Continued) Class of Commodities	EX PARTE NO. 162 Sought by Rail Lines in Petition Dated April 15, 1946	EX PARTE NO. 162 Granted by Interstate Commerce Commission 266 I.C.C. 537 Decided Dec. 5, 1946	EX PARTE NO. 166 Sought by Rail Lines in Petition Dated December 3, 1947	EX PARTE NO. 166 Granted by Interstate Commerce Commission 270 I.C.C. 403 Decided July 27, 1948
	Manufactured & Miscellaneous (Cont.)				
225	Benzol, in tank cars		20% - Max. 6¢ per 100		Max. 10¢ per 100
235	Blocks, Building, cement, etc.	50¢ per ton	20% - Max. 1½¢ per 100		Max. 3¢ per 100
240 & 380	Blocks, Paving, Granite			Max. 90¢ per ton	Max. 3¢ per 100
250 & 252	Brick & tile, as described	50¢ per ton	20% - Max. 1½¢ per 100		Max. 3¢ per 100
265	Butane Gas, etc., in tank cars		20% - Max. 6¢ per 100	Max. 10¢ per 100	Max. 10¢ per 100
275	Cement, Natural, etc.	50¢ per ton	20% - Max. 6¢ per 100	Max. 10¢ per 100	Max. 4¢ per 100
325	Copper Articles, as described				Max. 16¢ per 100
425	Excelsior, wood				Max. 14¢ per 100
440 & 445	Fertilizer, as described		20% - Max. 6¢ per 100		Max. 8¢ per 100
555,560,705	Iron & Steel, as described	Max. 4¢ per 100	20% - Max. 10¢ per 100	Max. 11¢ per 100	Max. 16¢ per 100
570	Iron or Steel Scrap, etc.	Max. 4¢ per 100	20% - Max. 10¢ per 100	Max. 11¢ per 100	Max. 16¢ per 100
580	Kalsomine, dry		20% - Max. 6¢ per 100		
590	Lard, etc.		20% - Max. 12¢ per 100		
595	Lead & Zinc Articles, as described				Max. 16¢ per 100
600	Lime common, etc.	50¢ per ton	20% - Max. 6¢ per 100	Max. 10¢ per 100	Max. 6¢ per 100
665	Potash, etc.		20% - Max. 6¢ per 100		Max. 8¢ per 100
715	Oil, fish, etc., not edible		20% - Max. 12¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
720 & 725	Vegetables & Nut oils, as described	Max. 12¢ per 100	20% - Max. 12¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
727 & 730	Oil foots or sediment, etc.	Max. 12¢ per 100	20% - Max. 12¢ per 100	Max. 20¢ per 100	Max. 20¢ per 100
780	Paper, scrap or waste		20% - Max. 10¢ per 100		Max. 11¢ per 100
810	Petroleum & Petroleum Products as described, in tank cars	Max. 6¢ per 100	20% - Max. 6¢ per 100	Max. 10¢ per 100	Max. 10¢ per 100
830	Pig, iron	Max. 80¢ per ton	20% - Max. 10¢ per 100	Max. 11¢ per 100	Max. 16¢ per 100
840	Plaster, etc.		20% - Max. 6¢ per 100	Max. 10¢ per 100	Max. 6¢ per 100
890	Rags, scrap or waste, etc.		20% - Max. 10¢ per 100		Max. 11¢ per 100
895	Railway materials, Iron & Steel	Max. 80¢ per ton	20% - Max. 10¢ per 100	Max. 11¢ per 100	Max. 16¢ per 100
900	Refractories, fire brick, etc.		20% - Max. 6¢ per 100		Max. 6¢ per 100
925	Roofing, iron or steel, etc.				Max. 16¢ per 100
940	Sodium, Sulphate (Salt cake)		20% - Max. 6¢ per 100		Max. 6¢ per 100
1035	Sugar, etc.	Max. 10¢ per 100	20% - Max. 10¢ per 100	Max. 20¢ per 100	Max. 12¢ per 100
1055	Syrup, corn (glucose, etc.)				Max. 12¢ per 100

Exceptions to Percentage Increases (Continued)

(2) Item No.	Class Commodities	EX PARTE NO. 168 Sought by Rail Lines in Petition Dated October 12, 1948	EX PARTE NO. 168 Granted by Interstate Commerce Commission 276 I.C.C. 9 Decided Aug. 2, 1949	EX PARTE NO. 175 Sought by Rail Lines in Petition Dated October 19, 1951	EX PARTE NO. 175 Granted by Interstate Commerce Commission 284 I.C.C. 589 297 I.C.C. 17 Decided April 11, 1952
	Manufactured & Miscellaneous (Cont.)				
225	Benzol, in tank cars				
235	Blocks, building cement, etc.				
240 & 380	Blocks, paving, Granite				
250 & 252	Brick & Tile, as described				
265	Butane Gas, etc., in tank cars				
275	Cement, Natural, etc.				
325	Copper Articles, as described				12¢ per 100 lbs.
425	Excelsior, Wood				
440 & 445	Fertilizer, as described				
555,560,705	Iron & Steel, as described				
570	Iron or Steel Scrap, etc.				
580	Kalsomine, dry				
590	Lard, etc.				
595	Lead & Zinc Articles, as described				12¢ per 100 lbs.
600	Lime common, etc.				
665	Potash, etc.				Max. $1.00 per net ton
715	Oil, fish, etc., not edible				
720 & 725	Vegetable & Nut oils, as described				
727 & 730	Oil foots or sediment, etc.				
780	Paper, scrap or waste				
810	Petroleum & Petroleum Products as described, in tank cars				
830	Pig, Iron				
840	Plaster, etc.				
890	Rags, scrap or waste, etc.				
895	Railway materials, Iron & Steel				
900	Refractories, fire brick, etc.				
925	Roofing, iron or steel, etc.				
940	Sodium, Sulphate (Salt cake)				
1035	Sugar, etc.	Max. 8¢ per 100	Max. 6¢ per 100	Max. 10¢ per 100	Max. 10¢ per 100
1055	Syrup, corn (glucose, etc.)				Max. 10¢ per 100

[fol. 510]

Section 1
Page 20 of 23 pages

(2) Item No.	Exceptions to Percentage Increases (Continued) Class of Commodities	EX PARTE NO. 196 Sought by Rail Lines in Master Tariff X-196 filed Dec. 30, 1955	EX PARTE NO. 196 Granted by Interstate Commerce Commission 298 I.C.C. 279 March 2, 1956	EX PARTE NO. 206 (Interim) Sought by Rail Lines in Petition Dated Nov. 6, 1956	EX PARTE NO. 206 (Interim) Granted by Interstate Commerce Commission Decided December 17, 1956	EX PARTE NO. 206 (additional) Sought by Rail Lines in Petition Dated * Jan. 11, 1957
	Manufactured & Miscellaneous (Cont.)					
225	Benzol, in tank cars					
235	Blocks, building cement, etc.					
240 & 380	Blocks, paving, Granite					
250 & 252	Brick & Tile, as described					
265	Butane Gas, etc., in tank cars					
275	Cement, Natural, etc.					
325	Copper Articles, as described					
425	Excelsior, Wood					
440 & 445	Fertilizer, as described					
555,560,705	Iron & Steel, as described					
570	Iron or Steel Scrap, etc.					
580	Kalsomine, dry					
590	Lard, etc.					
595	Lead & Zinc Articles, as described					
600	Lime common, etc.					
665	Potash, etc.		Max. 50¢ per ton		Max. 50¢ per net ton	
715	Oil, fish, etc. not edible					
720 & 725	Vegetable & Nut oils, as described					
727 & 730	Oil foots or sediment, etc.					
780	Paper, scrap or waste					
810	Petroleum & Petroleum Products as described, in tank cars					
830	Pig, Iron					
840	Plaster, etc.					
890	Rags, scrap or waste, etc.					
895	Railway materials, Iron & Steel					
900	Refractories, fire brick, etc.					
925	Roofing, iron or steel, etc.					
940	Sodium, Sulphate (Salt cake)					
1035	Sugar, etc.		Max. 5¢ per 100 lbs.		Max. 6¢ per 100 lbs. Max. 6¢ per 100 lbs.	Max. 18¢ per 100 lbs.
1055	Syrup, corn (glucose, etc.)					

* Increase sought include increases authorized on an interim basis Dec. 17, 1956.

[fol. 511]

Section 1
Page 21 of 23 pages

Exceptions to Percentage Increases (Continued)

Item No.	Class of Commodities	EX PARTE NO. 162 Sought by Rail Lines in Petition Dated April 15, 1946	EX PARTE NO. 162 Granted by Interstate Commerce Commission 266 I.C.C. 537 Decided Dec. 5, 1946	EX PARTE NO. 166 Sought by Rail Lines in Petition Dated Dec. 3, 1947	EX PARTE NO. 166 Granted by Interstate Commerce Commission 270 I.C.C. 403 Decided July 27, 1948
	Manufactured & Miscellaneous (Cont.)				
1070	Tanks, Iron or Steel, K.D., etc.				Max. 16¢ per 100
1100	Sewer Pipe & Tile, clay, concrete or earthern, etc.				Max. 3¢ per 100
1105	Tin or Terne Plate, scrap		20% - Max. 10¢ per 100	Max. 11¢ per 100	Max. 16¢ per 100
1120	Trucks, Railway, car, etc., iron or steel		20% - Max. 10¢ per 100	Max. 11¢ per 100	Max. 16¢ per 100
1160	Wire, Iron or Steel, as described	Max. 4¢ per 100	20% - Max. 10¢ per 100	Max. 11¢ per 100	Max. 16¢ per 100
1180	Wool waste, etc.				Max. 11¢ per 100

[fol. 512]

Section 1
Page 22 of 23 pages

Exceptions to Percentage Increases (Continued)

(2) Item No.	Class of Commodities	EX PARTE NO. 168 Sought by Rail Lines in Petition Dated October 12, 1948	EX PARTE NO. 168 Granted by Interstate Commerce Commission 276 I.C.C. 9 Decided Aug. 2, 1949	EX PARTE NO.175 Sought by Rail Lines in Petiton Dated October 19, 1951	EX PARTE NO.175 Granted by Interstate Commerce Commission 284 I.C.C. 589 297 I.C.C. 17 Decided April 11, 1952
	Manufactured & Miscellaneous (Cont.)				
1070	Tanks, Iron or Steel, K. D., etc.				
1100	Sewer Pipe & Tile, clay concrete or earthern, etc.				
1105	Tin or Terne Plate, scrap				
1120	Trucks, Railway, car etc., iron or steel				
1160	Wire, Iron or Steel, as described				
1180	Wool waste, etc.				

Exception to Percentage Increases (Continued)

(2) Item No.	Class of Commodities	EX PARTE NO. 196 Sought by Rail Lines in Master Tariff X-196 filed December 30, 1955	EX PARTE NO. 196 Granted by Interstate Commerce Commission 298 I.C.C. 279 March 2, 1956	EX PARTE NO. 206 Sought by Rail Lines in Petition Dated Nov. 6, 1956	EX PARTE NO. 206 Granted by Interstate Commerce Commission Decided December 17, 1956	EX PARTE NO. 206 (additional) Sought by Rail Lines in Petition Dated * Jan. 11, 1957
	Manufactured & Miscellaneous (Continued)					
1070	Tanks, Iron or Steel, K.D., etc.					
1100	Sewer Pipe & Tile, clay concrete or earthern, etc.					
1105	Tin or Terne Plate, scrap					
1120	Trucks, Railway, car etc., iron or steel					
1160	Wire, Iron or Steel, as described					
1180	Wool Waste, etc.					

Explanation of Reference Marks

(1) Applies on Manufactured & Miscellaneous Articles, Class Rates, and Rates on L.C.L. and any quantity traffic, 266 I.C.C. 616.

(2) Item Nos. referred to are those shown in Tariff of Increases Rates and Charges No. X-162-C
" " X-166-D I.C.C. No. A-3893 of L.E. Kipp, Agent, etc.
" " X-168-B

(3) Numerous exceptions authorized

(4) 25% Increase in Transcontinental Canned Goods Rates authorized in Docket 29663, 268 I.C.C. 567.

* Increases sought include increases authorized on an interim basis Dec. 17, 1956.

[fol. 514]

Section 2
Page 1 of 4 pages

Section No. 2

Effect of Cumulative Percentage Increases in Freight Rates Since June 30, 1946

versus

Maximum Increases or Hold-Downs in Altering Rate Differential or Relationships

CUMULATIVE EFFECT OF STRAIGHT PERCENTAGE INCREASE IN FREIGHT RATES SINCE JUNE 30, 1946 IN ALTERING RATE DIFFERENTIALS OR RELATIONSHIPS

USING

ASSUMED RATES WITHOUT MAXIMUM OR HOLD DOWNS AND BASED ON GENERAL INCREASES AUTHORIZED FROM TRANSCONTINENTAL AND WESTERN TRUNK LINE TERRITORY TO OFFICIAL TERRITORY

(Rates in center per 100 pounds)

Proceeding	Effective Date of Final Increase	Percent of Final Increase	Transcontinental	Midwest (Zone I-WTL)	Differential	Increase in Differential	Percent of Increase in Differential
Basic Rates	6/30/46	-	200**	100**	100	-	-
EX PARTE No. 162	1/1/47	22½%	245	123	122	22	22%
EX PARTE No. 166	8/2/48	25%	306	154	152	52	52%
EX PARTE No. 168	9/1/49	9%	334	168	166	66	66%
EX PARTE No. 175	5/2/52	15%	384	193	191	91	91%
EX PARTE No. 196	3/7/56	6%	407	205	202	102	102%
EX PARTE No. 206	12/28/56 (Interim)	5%	427	215	212	112	112%
EX PARTE No. 206	(Proposed)	22%	497	250	247	147	147%

** Assumed base rates to which General Increases are added in accordance with applicable master tariffs of increases rates and charges and fractions disposed of in accordance with Tariff Rules.

CHANGES IN RATE RELATIONSHIPS OR DIFFERENTIALS BETWEEN JUNE 30, 1946 AND JANUARY 1, 1957 ON REPRESENTATIVE COMMODITIES MOVING FROM MOUNTAIN PACIFIC TERRITORY TO EASTERN MARKETS

(Rates in cents per 100 lbs.)

Commodity	FROM	TO	Base Rate 6/30/46	* Present Rate 1/1/57	Increase Amount	Increase Percent	Rates Proposed by Petition filed Jan. 11, '57	Increase Amount	Increase Percent
Apples	Yakima, Wash.	New York, N. Y.	(1) 135	(2) 217	82	61%	237	102	76%
	Charlottesville, Va.	" "	(3) 35	(4) 79	44	126%	90	55	157%
	Differential		100	138	38	38%	147	47	47%
Canned Goods	Salem, Oregon	New York, N. Y.	(5) 102	(6) 189	87	85%	209	107	105%
	Green Bay, Wis.	" "	(7) 51	(8) 86	35	69%	98	47	92%
	Differential		51	103	52	102%	111	60	118%
Flour Wheat	Spokane, Wash.	" "	(9) 97½	(10) 172	74½	76%	199	101½	104%
	Alton, Illinois	" "	(11) 38½	(12) 76	37½	97%	88	49½	129%
	Differential		59	96	37	63%	111	52	88%
Lumber	Portland, Oregon	Chicago, Ill.	(13) 75½	(14) 134½	59	78%	146½	71	94%
	Hattiesburg, Miss.	" "	(15) 40	(16) 85	45	113%	99	59	148%
	Differential		35½	49½	14	39%	47½	12	34%
Nuts, edible	Portland, Oregon	New York, N. Y.	(5) 135	(6) 226	91	67%	267	132	98%
	Albany, Ga.	" "	(17) 78	(18) 123	45	58%	143	65	83%
	Differential		57	103	46	81%	124	67	118%
Oranges	Los Angeles, Cal.	" "	(19) 135	(20) 198	63	47%	218	83	61%
	Lake Wales, Fla.	" "	(21) 69	(22) 122	53	77%	142	73	106%
	Differential		66	76	10	15%	76	10	15%

[fol. 517]

Commodity	FROM	TO	Base Rate 6/30/46	* Present Rate 1/1/57	Increase Amount	Increase Percent	Rates Proposed by Petition Filed Jan. 11, '57	Increase Amount	Increase Percent
Sugar	San Francisco, Cal.	Chicago, Ill.	(23) 70	(6) 117	47	67%	129	59	84
	New Orleans, La.	" "	(24) 40	(25) 85	45	113%	99	59	148
	Differential		30	32	2	7	30	0	0
Wood Pulp	Tacoma, Wash.	Kalamazoo, Mich.	(5) 55	(6) 110	55	100%	128	73	133%
	Crosset, Ariz.	" "	(26) 37	(27) 77	40	108%	89	52	141
	Differential		18	33	15	83	39	21	117
Wool (in bags)	Pendleton, Ore.	Boston, Mass.	(28) 233	(29) 348	115	49%	404	171	73%
	Sioux City, Iowa	" "	(30) 135	(31) 230	95	70%	267	132	98
	Differential		98	118	20	20	137	39	40

* Includes Ex Parte 206 Interim Increases

Tariff Authorities

(1) T.C.F.B. Tariff 43-J Agent L. E. Kipp's ICC No. 1496
(2) T.C.F.B. Tariff 44-M Agent W. J. Prueter, ICC No. 1572
(3) Exhibit P-19 in Docket Ex Parte 175, Witness Falk
(4) C. & O. Ry. Co., Freight Tariff 327-R
(5) T.C.F.B. Tariff No. 2 - O, Agent L. E. Kipp's ICC No. 1515
(6) T.C.F.B. Tariff No. 2 - V, Agent W. J. Prueter, ICC No. 1574
(7) Per Agent B. T. Jones, ICC No. 3642
(8) " " C. W. Boin, ICC No. A-1105
(9) T.C.F.B. Tariff No. 45-E, Agent L. E. Kipp No. 1510
(10) T.C.F.B. Tariff No. 45-I, Agent W. J. Prueter, ICC No. 1577
(11) C.F.A. Tariff 245-E, ICC No. 3055
(12) C.F.A. Tariff 245-H, ICC No. 4403
(13) T.C.F.B. Tariff No. 28-O, Agent L. E. Kipp, ICC No. 1545
(14) T.C.F.B. Tariff No. 28-P, Agent W. J. Prueter, ICC No. 1581
(15) Exhibit K. C. Pyne No. 2 in Ex Parte 206, Witness Batchelder
(16) S.F.A. Tariff 755-B
(17) S.F.A. Tariff No. 772-A, ICC No. 887G, C. A. Spaninger, Agent
(18) Exhibit - KC - Boat 23 - in Ex Parte 206 Witness Mayfield
(19) T.C.F.B. Tariff No. 44-K, Agent L. E. Kipp, ICC No. 1508
(20) T.C.F.B. Tariff No. 44-M, Agent W. J. Prueter, ICC No. 1572
(21) S.F.A. Tariff No. 782, ICC No. 642, C. A. Spaninger, Agent
(22) S.F.A. Tariff No. 782-A, ICC No. 1211, C. A. Spaninger, Agent
(23) T.C.F.B. Tariff No. 3-S, Agent L. E. Kipps, ICC No. 1519
(24) S.F.A. Tariff No. 752, Agent C. A. Spaninger, ICC No. 143
(25) N.O.F.T.B. Tariff No. 1-W, Agent W. P. Emerson
(26) S.W.L. Tariff No. 121-B, ICC 3901
(27) S.W.L. Tariff No. 121-C, ICC 4114
(28) T.C.F.B. Tariff No. 33-H, Agent L. E. Kipp, ICC No. 1533
(29) T.C.F.B. Tariff No. 33-I, Agent W. J. Prueter, ICC No. 1539
(30) W.T.L. Tariff No. 172-G, Agent L. E. Kipp, ICC No. A-3730
(31) W.T.L. Tariff No. 172-H, Agent W. J. Prueter, ICC A-3776

[fol. 518]

Section 3
Page 1 of 18 pages

COMPARISON OF RAILROAD TONNAGE ORIGINATED IN MOUNTAIN-PACIFIC TERRITORY WITH TOTAL UNITED STATES ORIGINATED TONNAGE BY COMMODITY FOR THE YEARS 1947 TO 1955

ALSO

VOLUME OF MOUNTAIN PACIFIC ORIGINATED TONNAGE TERMINATED IN OTHER TERRITORIES

FROM

I.C.C. 1% CARLOAD WAYBILL ANALYSIS FOR YEARS SHOWN

Comparison of Railroad Tonnage Originated in Mountain - Pacific Territory with Total United States Originated Tonnage for Commodities Shown for the Years 1947 to 1955. Also Volume of Originated Tonnage in Mountain - Pacific Territory Terminated in Other Territories. (Based on I.C.C. 1% Carload Waybill Analysis for Years Shown).

In Tons

Commodity	Year	Territorial Movement: U.S. to U.S.	Territorial Movement: Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement: Mt.P. to Mt.P.	Territorial Movement: Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Haul per Ton (Miles): U. S. to U. S.	Average Short Line Haul per Ton (Miles): Mt.P. to U.S.
Products of Agriculture	1947	-	-	-	-	-	-	-	-
	1948	1,426,288	214,273	15%	128,356	85,917	40%	509	1,014
	1949	1,378,567	211,123	15	126,600	84,523	40	498	986
	1950	1,216,028	204,707	17	120,605	84,102	41	501	1,017
	1951	1,333,070	211,596	16	125,366	86,230	41	511	1,004
	1952	1,313,893	213,179	16	130,779	82,400	39	502	993
	1953	1,274,789	226,596	18	131,621	94,975	42	504	995
	1954	1,276,540	232,331	18	146,306	86,025	37	479	916
	1955	1,240,291	205,693	17	129,211	76,482	37	492	986
*Lemons, Limes & Citrus Fruit, nos.	1947	4,100	4,061	99	246	3,815	94	2,346	2,358
	1948	3,195	3,171	99	181	2,990	94	2,337	2,347
	1949	2,823	2,786	99	30	2,756	99	2,463	2,45[illegible]
	1950	2,359	2,339	99	120	2,219	95	2,452	2,464
	1951	2,503	2,503	100	40	2,463	98	2,339	2,339
	1952	2,551	2,551	100	20	2,531	99	2,427	2,427
	1953	2,128	2,128	100	39	2,089	98	2,458	2,458
Max. Increase Authorized	1954	2,362	2,362	100	17	2,345	99	2,455	2,455
in X-162,166,168,175 & 196.	1955	2,089	2,089	100	36	2,053	98	2,497	2,497
*Pears, fresh	1947	3,032	2,964	98	1,150	1,814	61	1,715	1,743
	1948	2,101	2,089	99	599	1,490	71	2,100	2,106
	1949	2,972	2,956	99	773	2,183	74	2,018	2,028
	1950	2,695	2,606	97	874	1,732	66	1,905	1,966
	1951	2,753	2,637	96	885	1,752	66	1,777	1,842
	1952	2,659	2,639	99	604	2,035	77	2,103	2,119
	1953	2,535	2,456	97	743	1,713	70	1,941	2,003
Max. Increase Authorized	1954	2,399	2,365	99	631	1,734	73	2,091	2,114
in X-162,166,168,175 & 196.	1955	2,266	2,253	99	698	1,555	69	1,949	1,961

[fol. 520]

Section 3
Page 3 of 18 pages

In Tons

Commodity	Year	Territorial Movement: U.S. to U.S.	Territorial Movement: Mt.P. to U.S.	Territorial Movement: Percent Mt.P. Originations of U.S. Total	Territorial Movement: Mt.P. to Mt.P.	Territorial Movement: Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Haul per Ton (Miles): U.S. to U.S.	Average Short Line Haul per Ton (Miles): Mt.P. to U.S.
*Grapes, fresh	1947	5,030	4,806	96%	416	4,390	91	2,366	2,464
	1948	4,383	4,266	95	688	3,578	84	2,352	2,402
	1949	4,405	4,393	99	432	3,961	90	2,472	2,478
	1950	3,633	3,569	98	389	3,180	89	2,398	2,429
	1951	4,253	4,169	98	299	3,870	93	2,423	2,469
	1952	3,865	3,771	98	213	3,558	94	2,462	2,522
	1953	3,661	3,650	99	311	3,339	91	2,478	2,486
Max. Increase Authorized	1954	3,728	3,728	100	178	3,550	95	2,580	2,580
in X-162,166,168,175, & 196.	1955	3,678	3,678	100	187	3,304	89	2,523	2,523
*Cantalope & Melons	1947	3,515	3,158	90	140	3,018	96	2,276	2,417
	1948	3,114	2,993	95	215	2,778	93	2,386	2,437
	1949	3,057	3,001	98	198	2,803	93	2,387	2,407
	1950	3,250	3,177	98	147	3,030	95	2,380	2,415
	1951	3,245	3,211	99	143	3,068	96	2,409	2,426
	1952	3,070	3,047	99	34	3,013	99	2,511	2,520
	1953	3,001	2,913	97	68	2,845	98	2,476	2,499
Max. Increase Authorized	1954	3,619	3,282	91	112	3,170	97	2,398	2,474
in X-162,166,168,175 & 196.	1955	3,188	2,668	84	45	2,623	98	2,437	2,611
*Lettuce	1947	9,091	8,870	98	480	8,390	95	2,319	2,359
	1948	8,897	8,746	98	481	8,265	95	2,250	2,277
	1949	8,501	8,232	97	340	7,892	96	2,292	2,336
	1950	8,784	8,504	97	274	7,230	85	2,341	2,388
	1951	8,413	8,077	96	216	7,861	97	2,276	2,340
	1952	9,645	9,145	95	333	8,812	96	2,276	2,344
	1953	8,905	8,481	95	195	8,286	98	2,294	2,360
Max. Increase Authorized	1954	8,368	7,892	94	126	7,766	98	2,308	2,381
in X-162,166,168,175 & 196.	1955	8,423	7,921	94	277	7,644	97	2,320	2,395
*Apples, fresh, not frozen	1947	9,539	8,019	84	1,890	6,129	76	1,658	1,901
	1948	7,683	7,038	92	1,186	5,852	83	1,951	2,080
	1949	5,703	5,222	92	939	4,283	82	1,854	1,975
	1950	6,546	6,115	93	1,299	4,186	68	1,860	1,963
	1951	5,752	4,996	87	664	4,332	87	1,901	2,112
	1952	4,115	3,725	91	668	3,057	82	1,856	1,990
	1953	4,585	4,325	94	491	3,834	89	2,059	2,151
Max. Increase Authorized	1954	3,873	3,646	94	365	3,281	90	2,114	2,206
in X-162, 166, 168,175 & 196.	1955	4,304	4,063	94	608	3,455	85	1,997	2,078

[fol. 521]

Section 3
Page 4 of 18 pages.

In Tons

Commodity	Year	Territorial Movement: U.S. to U.S.	Territorial Movement: Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement: Mt.P. to Mt.P.	Territorial Movement: Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P., Terr.	Average Short Line Haul per Ton (Miles): U.S. to U.S.	Average Short Line Haul per Ton (Miles): Mt.P. to U.S.
Fruit, dried, nos.	1947	3,888	3,613	93	1,552	2,061	57	1,474	1,549
	1948	4,760	4,567	96	1,766	2,801	61	1,581	1,635
	1949	2,994	2,704	90	489	2,215	82	1,981	2,115
	1950	2,277	2,068	91	410	1,658	80	2,010	2,173
	1951	1,791	1,687	94	293	1,394	83	2,192	2,287
	1952	1,529	1,398	91	365	1,033	74	1,848	1,954
	1953	1,484	1,446	97	445	1,001	69	1,891	1,922
	1954	992	923	93	182	741	80	2,090	2,220
	1955	1,217	1,052	86	105	947	90	2,146	2,385
Fruit & Berries, frozen	1947	1,895	987	52	262	725	73	1,482	2,161
	1948	983	631	64	92	539	85	1,718	2,216
	1949	1,102	936	85	68	868	93	2,074	2,294
	1950	1,465	1,222	83	168	1,054	86	2,012	2,248
	1951	756	480	63	28	452	94	1,926	2,363
	1952	1,516	1,175	78	40	1,135	97	2,177	2,531
	1953	1,962	1,610	82	177	1,433	89	2,065	2,314
Max. established by carriers in K-162,175 & 196.	1954	1,623	1,328	82	48	1,280	96	2,163	2,492
	1955	1,415	1,184	84	54	1,130	95	2,262	2,536
Fruit fresh, nos. not frozen	1947	2,221	1,620	73	221	1,399	86	1,761	2,082
	1948	1,644	1,223	74	25	1,198	98	2,062	2,422
	1949	1,737	1,325	76	14	1,311	99	2,034	2,392
	1950	1,117	833	75	29	804	97	2,111	2,484
	1951	1,245	1,102	89	73	1,029	93	2,285	2,456
	1952	1,290	1,135	88	51	1,084	96	2,133	2,304
	1953	1,316	1,196	91	69	1,127	94	2,399	2,498
Max. Increase Authorized in K-162,166,168,175 & 196.	1954	1,005	819	81	13	806	98	2,205	2,442
	1955	1,456	1,324	91	75	1,249	94	2,262	2,346
Vegetables, fresh, frozen	1947	1,431	962	67	185	777	81	1,946	2,256
	1948	1,611	1,168	73	254	914	78	1,826	2,144
	1949	1,969	1,368	69	442	926	68	1,759	2,056
	1950	1,847	1,595	86	438	1,157	73	1,819	1,978
	1951	2,674	2,008	75	463	1,545	77	1,870	2,133
	1952	3,058	2,285	75	478	1,807	79	1,841	2,176
	1953	3,668	2,857	78	871	1,986	70	1,788	2,021
Max. established by carriers in K-162,175 & 196.	1954	3,225	2,365	73	674	1,691	72	1,831	2,119
	1955	3,208	2,383	74	403	1,980	83	2,007	2,303

[fol.522]

Section 3
Page 5 of 18 pages

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Haul per Ton (Miles) U.S. to U.S.	Average Short Line Haul per Ton (Miles) Mt.P. to U.S.
*Peaches, fresh	1947	2,910	1,096	38	119	977	89	1,027	1,579
	1948	1,562	741	47	81	660	89	1,114	1,496
	1949	1,559	907	58	67	840	93	1,301	1,694
	1950	1,160	854	74	110	744	87	1,695	1,997
	1951	1,664	682	41	36	646	95	1,287	2,022
	1952	1,845	1,015	55	116	899	89	1,278	1,714
	1953	1,564	672	43	10	662	99	1,224	1,838
Max. Increase Authorized	1954	1,406	798	57	77	721	90	1,226	1,594
in X-162,166,168,175 & 196.	1955	1,137	1,111	98	37	1,074	97	1,927	1,967
*Celery	1947	2,952	1,677	57	241	1,436	86	1,734	2,265
	1948	2,763	1,502	54	168	1,334	89	1,766	2,359
	1949	2,676	1,499	56	130	1,369	91	1,832	2,348
	1950	2,826	1,723	61	105	1,618	94	1,943	2,455
	1951	3,054	1,772	58	79	1,693	96	1,871	2,428
	1952	3,152	1,819	58	81	1,738	96	1,898	2,427
	1953	3,115	1,934	62	72	1,862	96	1,996	2,512
Max. Increase Authorized	1954	3,357	2,106	63	63	2,043	97	1,988	2,491
in X-162,166,168,175 & 196.	1955	3,345	2,133	64	85	2,048	96	2,081	2,594
Beans & Peas, dried	1947	13,639	6,906	51	3,757	3,149	46	796	1,064
	1948	12,790	6,445	50	3,262	3,183	49	850	1,076
	1949	13,541	6,355	47	3,154	3,201	50	789	1,087
	1950	12,419	6,753	54	2,865	3,888	58	871	1,171
	1951	10,901	5,400	50	2,493	2,907	54	869	1,146
	1952	10,284	3,916	38	1,813	2,103	54	822	1,238
	1953	9,267	4,070	44	2,024	2,046	50	858	1,227
15% Increase Authorized	1954	7,846	4,107	52	2,306	1,801	44	857	1,176
in X-162.	1955	7,930	4,056	51	2,001	2,055	51	909	1,157
*Vegetables, fresh, nos. not frozen	1947	12,433	5,894	47	916	4,978	84	1,598	2,218
	1948	10,535	4,731	45	460	4,271	90	1,687	2,325
	1949	9,232	4,375	47	431	3,944	90	1,749	2,379
	1950	8,910	4,477	50	474	4,003	89	1,803	2,343
	1951	7,458	4,206	56	398	3,808	91	1,835	2,361
	1952	8,085	4,427	55	405	4,022	91	1,852	2,359
	1953	7,293	3,703	51	341	3,362	91	1,849	2,344
Max. Increase Authorized	1954	7,406	3,434	46	146	3,288	96	1,809	2,370
in X-162, 166,168,175 & 196	1955	7,291	2,956	41	396	2,560	87	1,761	2,344

[fol. 523]

Section 3
Page 6 of 18 pages

In Tons

Commodity	Year	Territorial Movement: U.S. to U.S.	Territorial Movement: Mt.P. to U.S.	Percent Mt.P. Originations of U.S Total	Territorial Movement: Mt.P. to Mt.P.	Territorial Movement: Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terri	Average Short Line Haul per Ton (Miles): U.S. to U.S.	Average Short Line Haul per Ton (Miles): Mt.P. to U.S.
*Oranges & Grapefruit	1947	30,671	12,828	42	1,684	11,144	87	1,609	2,270
	1948	24,558	9,379	38	1,143	8,236	88	1,592	2,285
	1949	15,383	6,007	39	456	5,551	92	1,625	2,361
	1950	14,198	6,748	48	549	6,199	92	1,727	2,362
	1951	16,688	7,527	45	803	6,724	89	1,696	2,355
	1952	16,149	6,345	39	476	5,869	92	1,629	2,373
	1953	15,709	7,133	45	295	6,838	96	1,720	2,408
Max. Increase Authorized	1954	12,641	4,871	39	189	4,682	96	1,677	2,478
in X-162,166,168,175 & 196.	1955	12,503	5,379	43	465	4,914	91	1,694	2,400
*Onions, dry	1947	5,818	2,309	40	709	1,600	69	1,195	1,609
	1948	4,591	1,254	27	579	675	54	1,044	1,440
	1949	4,656	1,881	40	760	1,121	60	1,146	1,552
	1950	3,962	1,928	49	560	1,368	71	1,354	1,741
	1951	3,954	2,253	57	588	1,665	74	1,375	1,738
	1952	3,995	2,145	54	722	1,423	66	1,387	1,712
	1953	3,212	1,572	49	406	1,166	74	1,396	1,749
Max. Increase Authorized	1954	2,576	1,455	56	320	1,135	78	1,573	1,874
in X-162,166,168,175 & 196.	1955	3,288	1,984	60	433	1,551	78	1,557	1,885
*Potatoes, other than sweet	1947	59,535	22,770	38	8,002	14,768	65	913	1,382
	1948	66,763	19,949	30	7,786	12,163	61	823	1,375
	1949	49,602	19,982	40	6,291	13,691	69	980	1,456
	1950	41,790	19,352	46	4,732	14,620	76	1,068	1,559
	1951	37,881	18,833	50	5,134	13,699	73	1,093	1,459
	1952	38,034	18,759	49	5,692	13,067	70	1,160	1,506
	1953	42,824	21,296	50	5,326	15,970	75	1,182	1,595
Max. Increase Authorized	1954	38,186	18,814	49	4,913	13,901	74	1,153	1,541
in X-162,166,168,175 & 196.	1955	36,294	19,001	52	4,983	14,018	74	1,207	1,601
Seeds, nos.	1947	5,471	2,047	37	886	1,161	57	791	1,356
	1948	4,950	1,582	32	575	1,007	64	811	1,506
	1949	4,933	1,551	31	509	1,042	67	817	1,523
	1950	4,821	2,185	45	749	1,436	66	1,045	1,637
	1951	4,608	2,251	49	764	1,487	66	1,061	1,577
	1952	3,271	1,159	35	300	859	74	939	1,758
	1953	3,685	1,705	46	507	1,198	70	990	1,680
15% Authorized in X-162.	1954	3,715	1,827	49	274	1,553	85	1,346	2,020
	1955	3,305	1,605	49	277	1,328	83	1,155	1,889

[fol. 524]

Section 3
Page 7 of 18 pages

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Haul per Ton (Miles) U.S. to U.S.	Average Short Line Haul per Ton (Miles) Mt.P. to U.S.
*Tomatoes	1947	3,160	877	28	74	803	92	1,576	2,381
	1948	2,951	820	28	166	654	80	1,356	2,169
	1949	2,920	710	24	49	661	93	1,527	2,427
	1950	2,348	633	27	59	574	91	1,603	2,492
	1951	2,268	894	39	89	805	90	1,741	2,419
	1952	2,395	679	28	49	630	93	1,536	2,440
	1953	2,312	880	38	115	765	87	1,631	2,348
Max. Increase Authorized	1954	2,346	784	33	50	734	94	1,705	2,401
in I-162,166,168,175 & 196.	1955	2,491	650	26	55	595	92	1,684	2,477
Barley & Rye	1947	69,413	15,174	22	8,962	6,212	41	452	755
	1948	57,027	11,966	21	7,206	4,760	40	435	732
	1949	61,635	11,293	18	7,251	4,042	36	423	642
	1950	49,964	11,384	23	8,752	2,632	23	388	556
	1951	53,244	10,599	20	8,664	1,935	18	403	609
15% Authorized in I-162	1952	49,341	8,754	18	7,014	1,740	20	425	692
12% " in I-175	1953	42,166	7,292	17	5,313	1,979	27	408	710
5% " in I-196	1954	51,810	11,829	23	10,492	1,337	11	345	433
	1955	62,699	15,949	25	14,286	1,663	10	411	490
Wheat	1947	445,940	61,766	14	46,488	15,278	25	377	500
	1948	420,434	49,381	12	38,340	11,041	22	365	455
	1949	371,781	53,942	15	40,520	13,422	25	365	475
	1950	289,673	44,432	15	31,604	12,828	29	344	500
	1951	365,472	65,801	18	49,638	16,163	25	392	473
15% Authorized in I-162	1952	366,224	58,095	16	45,951	12,144	21	366	489
12% " in I-175	1953	327,818	59,954	18	41,650	18,304	31	348	495
5% " in I-196	1954	328,019	62,798	19	44,918	17,880	28	334	520
	1955	308,245	52,622	17	42,824	9,798	19	325	470
Cotton, in bales	1947	35,066	3,451	.10	1,120	2,331	68	592	1,421
	1948	31,945	2,988	9	1,540	1,448	48	555	985
	1949	40,098	6,329	16	3,687	2,662	42	519	930
	1950	41,329	5,715	14	3,372	2,343	41	567	1,012
	1951	35,555	4,827	14	2,529	2,298	48	564	1,070
	1952	40,978	12,126	30	6,695	5,431	45	636	991
	1953	40,117	12,471	31	5,673	6,798	55	719	1,179
Max. Increase Authorized	1954	38,554	10,764	28	6,102	4,662	43	638	975
in I-162,166 and 196.	1955	33,591	8,634	26	4,638	3,996	46	661	1,024

[fol. 525]

Section 3
Page 8 of 18 pages

In Tons

Commodity	Year	Territorial Movement: U.S. to U.S.	Territorial Movement: Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement: Mt.P. to Mt.P.	Territorial Movement: Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Haul per Ton (Miles): U.S to U.S.	Average Short Line Haul per Ton (Miles): Mt.P. to U.S.
Flour, Wheat	1947	119,755	11,079	9	8,964	2,115	19	681	866
	1948	113,708	10,764	9	8,530	2,234	21	663	833
	1949	97,512	10,608	11	9,056	1,552	15	637	806
	1950	87,395	9,075	10	8,007	1,068	12	638	773
	1951	93,934	10,591	11	9,179	1,412	13	658	740
15% Authorized in L-162	1952	88,159	9,887	11	8,659	1,228	12	653	743
12% " in L-175	1953	89,034	10,515	12	9,325	1,190	11	631	705
5% " in L-196	1954	89,516	9,396	10	8,530	866	9	641	695
	1955	86,963	9,662	11	8,623	1,039	11	621	659
Products of Agriculture, nos.	1947	30,702	3,462	11	1,906	1,556	45	390	1,273
	1948	31,958	2,187	7	1,006	1,181	54	285	1,539
	1949	33,408	2,748	8	1,676	1,072	39	276	1,144
	1950	32,771	2,776	8	1,564	1,212	44	302	1,235
15% Authorized in L-162	1951	31,770	2,655	8	1,395	1,260	47	331	1,305
	1952	33,707	2,929	9	1,464	1,465	50	341	1,378
	1953	37,002	2,395	6	1,341	1,054	44	293	1,336
	1954	29,809	2,762	9	1,476	1,286	47	319	1,391
	1955	28,291	2,718	10	1,363	1,355	50	336	1,391
Animals & Products									
Sheep & Goats, D.D.	1947	8,359	3,620	43	2,195	1,425	37	610	651
	1948	6,431	3,220	50	2,088	1,132	35	615	621
	1949	5,281	2,560	48	1,574	986	39	670	656
	1950	4,339	2,206	51	1,347	859	39	652	631
	1951	4,412	2,384	54	1,427	957	40	738	697
15% Authorized in L-162	1952	4,635	2,546	55	1,474	1,072	42	719	729
5% " in L-196	1953	3,972	2,301	58	1,298	1,003	44	787	778
	1954	4,401	2,456	56	1,398	1,058	43	697	688
	1955	3,931	2,458	63	1,559	899	37	734	718
Cattle & Calves, S.D.	1947	50,515	9,076	18	6,997	2,079	23	555	650
	1948	36,700	7,808	21	5,591	2,217	28	567	713
	1949	32,894	7,651	23	4,558	3,093	40	570	743
	1950	27,974	6,748	24	4,917	1,831	27	614	763
	1951	28,796	5,825	20	4,156	1,669	29	661	763
15% Authorized in L-162	1952	29,507	6,348	22	4,241	2,107	33	646	773
5% " in L-196	1953	31,069	7,002	23	4,667	2,335	33	672	783
	1954	30,975	7,268	23	4,968	2,300	32	717	837
	1955	27,839	6,544	24	4,023	2,521	39	721	846

[fol. 526]

Section 3
Page 9 of pages

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Haul per Ton (Miles) U.S. to U.S.	Average Short Line Haul per Ton (Miles) Mt. P. to U.S.
Wool & Mohair, in Grease	1947	4,473	594	13	132	462	78	690	2.038
	1948	4,319	714	17	147	567	79	821	1,984
	1949	2,463	373	15	98	275	74	779	1,822
	1950	3,853	1,005	26	237	768	76	903	2,220
	1951	2,234	714	32	134	580	81	1,081	2,163
	1952	2,347	413	18	25	388	94	995	2,639
Max. Increase Authorized in I-162 & 166.	1953	3,043	678	22	65	613	90	1,029	2,430
	1954	2,097	508	24	114	394	78	930	1,965
	1955	1,964	444	23	67	377	85	1,173	2,287
Poultry, dressed & frozen	1947	3,678	434	12	118	316	73	1,073	1,775
	1948	2,348	416	18	105	311	75	1,168	1,925
	1949	1,713	389	23	85	304	78	1,337	1,929
	1950	1,770	423	24	182	241	57	1,195	1,644
	1951	1,736	435	25	159	276	63	1,234	1,553
	1952	1,807	564	31	100	464	82	1,584	2,270
	1953	1,434	380	26	152	228	60	1,162	1,677
	1954	1,018	336	33	40	296	88	1,461	2,231
	1955	775	304	39	22	282	93	1,656	2,543
Hides, Skins & Pelts, nos.	1947	8,960	1,008	11	135	873	87	923	2,321
	1948	7,781	909	12	101	808	89	901	2,353
	1949	7,794	1,113	14	195	918	82	948	2,117
	1950	7,235	728	10	141	587	81	862	2,251
	1951	6,741	970	14	183	787	81	991	2,235
	1952	6,290	853	14	126	727	85	933	2,230
20% Authorized in I-162.	1953	7,714	755	10	133	622	82	944	2,256
	1954	9,068	1,200	13	412	788	66	944	1,829
	1955	9,198	1,466	16	283	1,183	81	1,037	2,166
Animals & Products, nos.	1947	19,207	830	4	315	515	62	487	1,516
	1948	18,124	1,115	6	579	536	48	493	1,423
	1949	19,930	763	4	511	252	49	465	998
	1950	22,097	575	3	366	209	36	487	1,044
	1951	21,809	588	3	437	151	26	460	984
	1952	20,695	469	2	469	—	—	453	367
	1953	20,338	530	3	376	154	29	519	814
	1954	19,082	476	2	295	181	38	463	942
	1955	17,980	467	3	467	—	--	475	511

[fol. 527]

Section 3
Page 10 of 18 pages

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Hauls per Ton (Miles) U.S. to U.S.	Average Short Line Hauls per Ton (Miles) Mt.P. to U.S.
Products of Forest	1947	874,653	287,995	33	200,404	87,551	30	488	857
	1948	822,667	292,568	36	206,504	86,064	29	490	857
	1949	695,430	260,033	37	170,317	89,716	35	532	929
	1950	799,084	285,827	36	178,685	107,142	37	545	992
	1951	837,959	288,662	34	181,139	107,523	37	535	999
	1952	819,193	292,939	36	174,118	118,821	41	556	1,073
	1953	819,349	292,011	36	170,718	121,293	42	559	1,107
	1954	767,289	282,889	37	150,074	132,815	47	596	1,207
	1955	839,045	322,009	38	183,975	138,034	43	580	1,115
*Veneer, Plywood & Built up Wood	1947	15,550	8,762	56	3,509	5,253	60	1,252	1,668
	1948	13,101	8,859	68	4,046	4,813	54	1,304	1,599
	1949	13,352	10,028	75	3,306	6,722	67	1,583	1,883
	1950	18,890	13,503	71	4,115	9,388	70	1,554	1,906
	1951	20,714	15,139	73	4,537	10,602	70	1,595	1,931
Max. Increase Authorized	1952	21,931	17,195	78	5,548	11,647	68	1,660	1,910
in X-162,166,168,175 & 196	1953	24,517	20,500	84	6,577	13,923	68	1,716	1,906
	1954	26,377	22,180	84	6,766	15,414	70	1,735	1,936
	1955	31,990	27,427	86	7,782	19,645	72	1,772	1,958
*Lumber, Shingles & Lath	1947	344,146	148,845	43	71,046	77,799	52	869	1,405
	1948	309,337	141,504	46	65,098	76,406	54	929	1,473
	1949	251,285	127,244	51	48,097	79,147	62	1,050	1,597
	1950	294,326	148,101	50	54,417	93,684	63	1,055	1,603
	1951	280,123	143,186	51	51,596	91,590	64	1,090	1,640
	1952	270,237	151,231	56	49,807	101,424	67	1,173	1,698
Max. Increase Authorized	1953	259,692	154,840	60	52,196	102,644	66	1,215	1,697
in X-162,166,168,175 & 196.	1954	240,550	157,280	65	44,606	112,674	72	1,337	1,773
	1955	255,035	162,327	64	47,553	114,774	71	1,313	1,753
Building Woodwork & Millwork	1947	6,553	3,339	51	695	2,644	79	1,293	2,041
	1948	6,021	2,534	42	289	2,245	89	1,306	2,304
	1949	5,957	2,833	48	592	2,241	79	1,358	2,166
	1950	5,982	2,699	45	461	2,238	83	1,330	2,132
	1951	5,791	2,114	37	375	1,739	82	1,231	2,224
	1952	5,514	2,030	37	250	1,780	88	1,316	2,341
Max. Increase Authorized	1953	5,880	2,447	42	473	1,974	81	1,276	2,191
in X-162,166,175 & 196.	1954	5,428	2,050	38	321	1,729	84	1,308	2,295
	1955	7,328	2,802	38	295	2,507	89	1,326	2,343

[fol. 528]

Section 3
Page 11 of 18 pages

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Hauls per Ton (Miles) U.S. to U.S.	Average Short Line Hauls per Ton (Miles) Mt.P. to U.S.
Woodpulp	1947	36,134	7,573	21	545	7,028	93	865	2,517
	1948	31,521	8,857	28	1,508	7,349	83	904	2,182
	1949	22,976	6,264	27	297	5,967	95	925	2,357
	1950	33,469	9,969	30	479	9,490	95	1,028	2,468
	1951	36,208	9,725	27	970	8,755	90	962	2,395
	1952	32,796	9,358	29	454	8,904	95	1,062	2,486
Max. Increase Authorized in X-162 and X-166.	1953	34,369	10,303	30	1,128	9,175	89	1,015	2,322
	1954	34,944	9,315	27	939	8,376	90	963	2,399
	1955	37,913	10,423	28	1,061	9,362	90	1,001	2,337
Posts, Poles and Piling	1947	53,585	10,827	20	7,884	2,943	27	465	792
	1948	40,429	7,847	19	5,370	2,477	32	454	839
	1949	38,717	7,142	18	5,243	1,899	27	465	856
	1950	42,476	6,844	16	4,953	1,891	28	459	851
	1951	37,968	6,002	16	4,437	1,565	26	473	936
	1952	37,193	6,633	18	4,711	1,922	29	474	980
Max. Increase Authorized in X-162 and X-166.	1953	32,649	4,740	15	3,467	1,273	27	481	923
	1954	28,128	4,391	16	3,195	1,196	27	480	906
	1955	32,489	4,610	14	3,685	925	20	463	796
Logs, Butts & Bolts	1947	159,975	102,658	64	102,611	47	0	84	69
	1948	165,085	119,526	72	119,469	57	0	80	67
	1949	136,082	101,954	75	101,917	37	0	79	66
	1950	136,221	99,561	73	99,418	143	.1	86	74
	1951	131,423	94,339	72	94,283	56	0	92	78
	1952	115,479	84,214	73	84,026	188	.2	90	77
Max. Increase Authorized in X-162.	1953	113,859	80,485	71	80,328	157	.2	92	77
	1954	97,478	69,093	71	68,849	244	.4	97	80
	1955	119,376	89,677	75	89,406	271	.3	92	77
Manufactures & Miscellaneous									
Wine	1947	6,243	5,849	94	1,238	4,611	79	2,062	2,160
	1948	6,322	5,947	94	1,620	4,327	73	2,044	2,114
	1949	5,081	4,844	95	1,386	3,458	71	1,969	2,035
	1950	6,606	6,248	95	1,548	4,700	75	2,088	2,158
	1951	5,033	4,759	95	1,129	3,630	76	2,025	2,103
	1952	5,538	5,316	96	1,368	3,948	74	2,002	2,064
	1953	6,085	5,823	96	1,738	4,085	70	1,850	1,913
	1954	5,315	4,929	93	1,459	3,470	65	1,864	1,953
	1955	4,962	4,595	93	1,245	3,350	73	1,935	2,025

[fol. 529]

Section 3
Page 12 of 18 pages

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Haul per Ton (Miles) U.S. to U.S.	Average Short Line Haul per Ton (Miles) Mt.P to U.S.
Aluminum, bar, ingot pig and slab	1947	5,203	2,328	45	525	1,803	77	1,132	1,844
	1948	4,273	2,849	67	1,474	1,375	48	983	1,274
	1949	3,854	2,464	64	1,150	1,314	53	1,071	1,373
	1950	5,072	3,319	65	1,480	1,839	55	1,103	1,380
	1951	4,948	3,448	70	2,052	1,396	40	861	1,022
	1952	6,733	3,102	46	1,674	1,428	46	1,006	1,268
	1953	10,014	5,747	57	1,813	3,934	68	1,305	1,641
Max. Increase Authorized in X-162 & 166.	1954	12,894	7,042	55	2,096	4,946	70	1,232	1,539
	1955	11,604	5,410	77	2,073	3,337	62	1,183	1,526
Copper, Ingot, Matte & Pig	1947	8,219	4,012	49	1,592	2,420	60	1,034	1,648
	1948	6,894	3,177	46	919	2,258	71	1,059	1,790
	1949	7,047	3,185	45	1,191	1,994	63	1,010	1,660
	1950	8,420	3,355	40	868	2,487	74	953	1,797
	1951	7,463	2,528	34	2,052	1,396	40	1,131	2,186
	1952	6,630	2,658	40	1,674	1,428	46	1,098	2,154
	1953	8,393	3,255	39	1,813	3,934	68	1,032	2,122
Max. Increase Authorized in X-166, 175.	1954	11,745	5,939	51	2,096	4,946	70	861	1,225
	1955	12,729	7,160	56	2,073	3,337	62	938	1,206
Vegetable & Nut oils, nos.	1947	8,087	2,573	32	245	2,328	90	1,187	2,300
	1948	6,518	2,301	35	297	2,004	87	1,145	2,078
	1949	5,117	1,821	36	281	1,540	85	1,053	1,946
	1950	6,427	2,234	35	498	1,736	79	1,092	1,809
	1951	6,012	1,816	30	515	1,301	72	893	1,542
	1952	4,532	1,742	38	422	1,320	76	961	1,652
	1953	5,156	1,914	37	279	1,635	85	1,222	1,996
Max. Increase Authorized in X-162 & X-166.	1954	4,441	1,426	32	365	1,061	74	985	1,758
	1955	5,023	1,968	39	336	1,632	83	1,142	1,923
Lead & Zinc, Bar, ingot & pig	1947	18,537	4,549	25	822	3,727	82	762	1,372
	1948	19,376	5,289	27	601	4,688	85	850	1,507
	1949	15,583	4,674	30	943	3,731	80	794	1,259
	1950	19,829	8,483	43	849	7,634	90	840	1,309
	1951	17,786	5,115	29	994	4,121	81	829	1,330
	1952	18,380	4,328	24	624	3,704	86	752	1,271
	1953	18,251	5,382	29	821	4,561	85	783	1,338
Max. Increase Authorized in X-166 & 175.	1954	17,567	4,890	28	455	4,435	91	843	1,561
	1955	20,180	5,582	28	1,083	4,499	81	825	1,387

[fol. 530]

Section 3
Page 13 of 18 pages

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Hauls per Ton (Miles) U.S. to U.S.	Average Short Line Hauls per Ton (Miles) Mt.P. to U.S.
Aluminum, nos.	1947	5,923	1,119	18	492	687	58	904	1,528
	1948	5,510	1,216	22	156	1,060	87	1,051	1,933
	1949	3,607	812	23	196	616	76	1,150	1,893
	1950	4,104	1,314	33	312	1,022	77	1,320	1,886
	1951	4,025	1,082	27	438	644	60	1,259	1,745
	1952	4,074	1,287	32	123	1,164	90	1,390	2,093
	1953	4,015	1,325	33	349	976	74	1,374	1,973
Max. Increase Authorized	1954	3,759	1,203	32	331	872	72	1,281	1,856
in X-162 & 166.	1955	4,899	1,714	35	332	1,382	81	1,310	1,962
Canned Goods	1947	123,624	32,207	26	14,020	18,187	56	924	1,589
(Food Products, nos.	1948	118,539	28,911	24	13,690	15,241	53	918	1,561
canned)	1949	104,110	27,481	26	13,406	14,075	51	903	1,508
	1950	100,021	26,556	27	11,441	15,115	57	913	1,549
	1951	104,241	28,940	28	14,150	14,790	51	925	1,447
	1952	103,315	27,707	27	14,089	13,618	49	894	1,413
	1953	105,959	27,225	26	12,983	14,242	52	892	1,490
Max. Granted in X-162,	1954	110,090	28,891	26	12,991	15,900	55	883	1,461
175 and 196.	1955	109,334	31,001	28	11,443	19,558	63	977	1,672
Sugar	1947	63,357	14,093	22	7,680	6,413	46	518	916
	1948	52,909	13,624	26	6,895	6,729	49	569	974
	1949	53,986	10,683	20	5,770	4,913	46	512	883
	1950	51,729	11,992	23	5,272	6,720	56	593	1,125
	1951	46,780	10,352	22	5,174	5,178	50	550	969
	1952	56,052	11,481	20	6,036	5,445	47	502	957
	1953	61,373	12,047	20	6,246	5,801	48	464	933
Max. Proposed & Granted	1954	51,599	14,487	28	6,489	7,998	55	586	1,097
in X-162,168,175 & 196,166.	1955	53,830	11,609	22	5,638	5,971	51	509	1,011
Wallboard	1947	31,913	4,941	15	4,742	199	4	530	475
	1948	42,114	7,357	17	6,822	535	7	490	626
	1949	36,249	5,931	16	5,667	264	4	472	600
	1950	45,531	8,417	18	7,997	420	5	508	586
	1951	45,847	8,368	18	7,902	466	6	479	571
	1952	44,545	7,983	18	7,479	504	6	502	591
	1953	45,915	8,889	19	8,275	614	7	536	628
	1954	47,995	10,376	22	9,400	976	9	533	640
	1955	59,261	13,948	24	11,787	2,161	15	553	756

In Tons

Commodity	Year	Territorial Movement: U.S. to U.S.	Territorial Movement: Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement: Mt.P. to Mt.P.	Territorial Movement: Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Hauls per Ton (Miles): U.S. to U.S.	Average Short Line Hauls per Ton (Miles): Mt.P to U.S.
News print Paper	1947	10,049	1,811	18	1,507	304	17	661	1,253
	1948	9,350	1,574	17	1,311	263	17	603	931
	1949	9,419	1,022	11	1,022	0	--	514	662
	1950	9,606	1,298	14	1,298	0	--	546	666
	1951	9,680	1,226	13	1,226	0	--	583	577
	1952	10,483	1,312	13	1,276	36	3	582	857
	1953	9,702	1,608	17	1,578	30	2	636	846
	1954	10,125	1,671	16	1,575	96	6	641	1,096
	1955	12,801	1,741	14	1,741	0	--	609	1,104
Wrapping Paper	1947	19,338	2,603	13	2,274	329	13	688	1,058
	1948	20,426	2,473	12	2,101	372	15	754	1,105
	1949	15,690	2,048	13	1,778	270	13	721	1,019
	1950	18,024	2,402	13	1,996	406	17	721	1,002
	1951	21,261	3,107	15	2,806	301	10	740	1,027
	1952	17,154	2,121	12	1,721	400	19	784	1,109
	1953	16,630	2,327	14	2,018	309	13	749	991
	1954	18,306	2,925	16	2,609	316	11	770	1,072
	1955	20,042	2,583	13	2,395	188	7	742	949
Furnaces, Heaters, Raditors and Parts	1947	7,770	686	9	251	435	63	725	924
	1948	5,372	340	6	68	272	80	675	1,603
	1949	3,496	304	9	88	216	71	847	1,574
	1950	4,629	480	10	104	376	78	879	1,691
	1951	3,901	461	12	186	275	60	871	1,433
	1952	3,380	508	15	122	286	76	984	1,639
	1953	3,653	458	13	82	376	82	923	1,769
	1954	3,398	618	18	140	478	77	1,027	1,776
	1955	4,076	512	13	85	427	83	962	1,791

In Tons

Commodity	Year	Territorial Movement: U.S. to U.S.	Territorial Movement: Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement: Mt.P. to Mt.P.	Territorial Movement: Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Hauls per Ton (Miles): U.S. to U.S.	Average Short Line Hauls per Ton (Miles): Mt.P. to U.S.
Soap, cleaning & washing compounds	1947	17,869	1,790	10	1,281	509	28	687	1,138
	1948	14,114	1,725	12	1,267	458	27	711	1,021
	1949	12,846	1,297	10	982	315	25	693	1,071
	1950	11,998	1,040	9	1,002	380	37	773	1,274
	1951	11,705	1,002	9	593	409	41	716	1,372
	1952	10,413	1,132	11	803	329	29	733	1,073
	1953	9,956	1,095	11	791	304	28	783	1,227
	1954	10,142	997	10	783	214	21	665	934
	1955	11,090	1,069	10	701	368	34	728	1,115
Furniture, nos.	1947	13,229	1,101	8	861	240	22	775	966
	1948	11,936	831	7	559	272	33	890	1,212
	1949	10,641	647	6	499	148	23	859	1,055
	1950	13,032	1,100	8	767	333	30	867	1,116
	1951	12,758	1,002	8	668	334	33	844	1,180
	1952	13,581	967	7	646	321	33	870	1,131
	1953	14,231	987	7	697	290	29	825	1,078
	1954	11,706	790	7	499	290	37	831	1,256
	1955	13,016	901	7	687	214	24	872	1,111
Machinery & Machines, nos.	1947	37,925	2,776	7	1,979	797	29	735	1,050
	1948	34,742	2,655	8	1,611	1,044	39	758	1,125
	1949	24,500	1,450	6	964	492	34	783	1,063
	1950	25,269	2,332	9	1,760	572	25	795	916
	1951	32,704	2,731	8	1,848	883	32	803	999
	1952	32,884	2,548	8	1,625	923	36	817	1,061
	1953	32,035	2,408	8	1,495	913	38	836	1,136
	1954	28,323	2,039	7	1,140	899	44	839	1,260
	1955	30,918	2,395	8	1,655	740	31	823	920

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Hauls per Ton (Miles) U.S. to U.S.	Average Short Line Hauls per Ton (Miles) Mt.P. to U.S.
Manufactured & Miscellaneous nos.	1947	50,512	6,550	13	5,292	1,258	19	660	754
	1948	52,035	6,539	13	5,403	1,136	17	668	628
	1949	49,449	7,022	14	5,927	1,095	16	646	494
	1950	49,621	6,155	12	5,310	845	14	556	510
	1951	57,418	6,641	12	5,045	1,596	24	669	217
	1952	55,814	5,143	9	4,152	991	19	604	636
	1953	62,451	5,675	9	4,588	1,087	19	584	683
	1954	50,310	4,009	8	3,337	672	17	577	714
	1955	60,066	5,841	10	4,813	1,028	18	545	622
Products of Mines									
Copper Ore & Concentrates	1947	18,893	18,308	96	18,247	61	.3	102	97
	1948	26,044	25,527	98	25,527	0	0	60	58
	1949	24,228	23,604	97	23,604	0	0	62	63
	1950	41,246	40,478	98	40,478	0	0	44	65
	1951	33,086	32,537	98	32,486	51	.2	99	56
	1952	42,629	40,975	96	40,885	90	.2	40	39
	1953	77,709	76,482	98	76,482	—	—	28	27
Max. Increase Authorized in X-166.	1954	43,907	42,758	97	42,758	—	—	48	46
	1955	69,522	68,358	98	68,187	171	.3	44	40
Lead Ore & Concentrates	1947	9,222	5,947	64	5,947	0	0	137	114
	1948	8,314	5,419	64	5,371	48	1	144	146
	1949	9,894	5,876	59	5,876	0	0	140	101
	1950	8,008	5,332	67	5,332	0	0	191	178
	1951	9,614	6,615	69	6,615	-	-	160	132
	1952	9,064	6,288	69	6,238	50	.8	207	150
	1953	8,981	5,630	63	5,630	—	—	189	122
Max. Increase Authorized in X-166.	1954	9,406	6,592	70	6,592	—	—	178	101
	1955	9,693	7,051	73	7,051	—	—	123	122
Zinc Ore & Concentrates	1947	23,359	8,113	35	5,344	2,769	34	457	567
	1948	18,112	4,607	25	2,071	2,536	55	508	822
	1949	16,669	4,426	26	2,413	2,013	45	471	727
	1950	17,967	4,762	26	2,349	2,413	51	477	852
	1951	19,479	6,167	32	3,508	2,659	43	488	708
	1952	19,888	7,054	35	4,180	2,874	41	538	747
	1953	17,981	3,695	21	2,447	1,248	34	484	651
Max. Increase Authorized in X-166.	1954	14,568	2,964	20	2,178	786	27	444	566
	1955	13,001	2,847	22	1,916	931	33	505	540

[fol. 534]

Section 3
Page 17 of 18 pages

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Mt.P. to U.S.	Percent Mt.P. Originations of U. S. Total	Territorial Movement Mt.P. to Mt.P.	Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Hauls per Ton (Miles) U. S. to U. S.	Mt.P. to U.S.
Ores & Concentrates, nos.	1947	65,165	15,383	24	12,818	2,565	17	306	451
	1948	52,575	14,835	28	12,689	2,146	14	324	398
	1949	51,382	10,710	21	8,547	2,163	20	348	459
	1950	44,512	11,411	26	9,242	2,169	19	362	448
	1951	41,082	9,010	22	7,140	1,870	21	416	524
	1952	47,439	11,046	23	9,249	1,797	16	428	486
	1953	64,889	11,849	18	9,099	2,750	23	395	602
	1954	54,654	12,140	22	9,709	2,431	20	407	600
	1955	57,750	11,959	21	8,541	3,418	29	498	714
Petroleum, crude	1947	89,388	13,524	15	7,091	6,433	47	444	694
	1948	134,053	15,015	11	7,352	7,663	51	462	663
	1949	48,485	7,600	16	6,699	901	12	329	440
	1950	45,656	11,842	26	7,491	4,351	37	325	589
	1951	47,224	10,264	22	6,032	4,232	41	320	645
	1952	31,746	10,987	35	7,690	3,297	30	440	590
	1953	38,142	8,824	23	5,878	2,946	33	438	620
Max. Increase Authorized in X-162 and 166.	1954	39,108	11,832	30	5,917	5,915	50	355	538
	1955	21,094	10,983	52	3,707	7,276	66	365	591
Asphalt	1947	67,999	12,878	19	7,763	5,115	40	342	637
	1948	65,055	10,880	17	6,526	4,354	40	366	645
	1949	55,784	8,790	16	5,290	3,500	39	356	567
	1950	54,371	8,085	15	4,494	3,591	44	366	626
	1951	54,703	9,015	16	4,376	4,639	51	408	730
	1952	53,765	8,624	16	4,809	3,815	44	405	657
	1953	47,301	6,974	15	3,641	3,333	48	412	659
Max. Increase Authorized in X-162 and 166.	1954	40,537	7,437	18	4,126	3,311	45	431	631
	1955	38,767	7,331	19	3,747	3,584	49	445	660
Gasoline	1947	187,549	21,016	11	19,255	1,761	8	243	324
	1948	147,252	18,948	12	17,091	1,857	10	280	351
	1949	127,051	17,625	14	15,999	1,626	9	246	324
	1950	116,543	16,583	14	14,127	2,456	15	240	318
	1951	117,508	17,501	15	15,212	2,289	13	242	314
	1952	114,496	18,781	16	17,214	1,567	8	226	304
	1953	106,225	19,619	18	18,519	1,100	6	207	303
Max. Increase Authorized in X-162 and 166.	1954	104,024	20,083	19	19,249	834	4	189	294
	1955	97,133	21,365	22	20,796	569	3	194	318

In Tons

Commodity	Year	Territorial Movement U.S. to U.S.	Territorial Movement Mt.P. to U.S.	Percent Mt.P. Originations of U.S. Total	Territorial Movement Mt.P. to Mt.P.	Territorial Movement Mt.P. to East	Percent of Mt.P. Originations Terminated East of Mt.P. Terr.	Average Short Line Hauls per Ton (Miles) U.S. to U.S.	Average Short Line Hauls per Ton (Miles) Mt.P. to U.S.
Clay & Bentonite	1947	73,079	9,146	13	5,674	3,472	38	444	836
	1948	86,566	9,581	11	5,835	3,746	38	416	918
	1949	82,911	9,159	11	6,192	2,967	32	397	861
	1950	87,284	8,530	10	5,526	3,004	35	445	921
	1951	96,744	10,272	11	7,086	3,186	31	445	925
	1952	89,891	9,310	10	6,010	3,300	35	464	902
	1953	100,798	13,103	13	8,486	4,617	35	463	929
Max. Increase	1954	94,037	11,094	12	6,151	4,943	45	475	1,060
Authorized in I-162 & 166	1955	103,823	11,816	11	6,945	4,871	41	483	1,055

EXPLANATION OF REFERENCE MARKS

* Maximum Increases Proposed by Petitioners on these Commodities in this Proceeding.

U.S. - United States

Mt.P. - Mountain Pacific Territory

East Includes - Official Territory
Western Trunk Line Territory
Southwestern Territory
Southern Territory

SOURCE: Interstate Commerce Commission, Bureau of Transport Economics & Statistics.

Carload Waybill Analysis, 1947, - Statement No. 495, Issued Feb., 1949
" " " " 496 " Feb., 1949
" " " " 4911 " March, 1949
" " " " 4927 " July, 1949
" " " " 4910 " March, 1949
" " " 1948 " " 5028 " June, 1950
" " " 1949 " " 5034 " July, 1950
" " " 1950 " " 5131 " June, 1951
" " " 1951 " " 5238 " Sept., 1952
" " Statistics 1952 " " 5340 " " 1953
" " " 1953 " " TD-1 " Nov., 1954
" " " 1954 " " TD-1 " " 1955
" " " 1955 " " TD-1 " Aug., 1956

[fol. 536]

Section 4
Page 1 of 20 pages

Analysis of Changes in Average Freight Rates and Revenues Between 1946 and 1955

	Pages
Changes in Average Revenue Per Car-Mile and Per Ton Mile, 1946-1950	2
Indexes of Average Freight Rates by Commodity Groups	3 & 4
Indexes of Average Freight Rates by Territorial Movement and Commodity Group	5-7
Indexes of Average Freight Rates for Inter and Intrastate Rates by Commodity Group	8
Changes in Average Revenues Per Car-mile between 1947 and 1955 on Specific Commodities	9-20

[fol. 537]

CHANGES IN AVERAGE FREIGHT REVENUES PER CAR-MILE AND PER TON-MILE BETWEEN 1946 and 1955 BY DISTRICTS

Class I Railways	Year	Average Freight Revenue Per Loaded Car Mile (Cents)	Percent of 1950	Average Freight Revenue Per Ton - Mile (Cents)	Percent of 1950
U. S. Averages	1946	28.6	72	.978	74
	1947	32.9	83	1.076	81
	1948	38.6	97	1.251	94
	1949	39.5	99	1.339	101
	1950	39.8	100	1.329	100
	1951	41.9	105	1.336	101
	1952	44.3	111	1.430	108
	1953	45.3	114	1.478	111
	1954	43.0	108	1.420	107
	1955	42.4	107	1.369	103
Eastern District	1946	31.6	69	1.036	71
	1947	37.1	81	1.162	80
	1948	44.7	97	1.374	95
	1949	45.6	99	1.477	102
	1950	45.9	100	1.451	100
	1951	48.9	107	1.488	103
	1952	51.6	112	1.596	110
	1953	52.9	115	1.648	114
	1954	49.7	108	1.589	110
	1955	49.4	108	1.534	106
Southern District	1946	28.6	72	.880	74
	1947	32.6	82	.942	80
	1948	37.8	95	1.089	92
	1949	39.3	99	1.198	101
	1950	39.8	100	1.183	100
	1951	42.2	106	1.188	100
	1952	45.0	113	1.279	108
	1953	46.2	116	1.332	113
	1954	44.4	112	1.280	108
	1955	43.6	110	1.205	102
Western District	1946	26.3	74	.979	75
	1947	30.0	84	1.078	82
	1948	34.7	97	1.240	95
	1949	35.4	99	1.306	99
	1950	35.7	100	1.311	100
	1951	37.2	104	1.301	99
	1952	39.5	111	1.392	106
	1953	40.1	112	1.430	109
	1954	38.4	108	1.377	105
	1955	37.6	105	1.342	102

Source: Interstate Commerce Commission
Bureau of Transport Economics and Statistics
Statistics of Railways in the United States for year shown
Tables 58 and 83

[fol. 538]

Section 4
Page 3 of 20 pages

Indexes of Average Freight Rates for Commodity Groups and Selected Commodity Classes 1/
(1950 = 100)

Item	Index							
	1947	1948	1949	1951	1952	1953	1954	1955
All Commodities	80	93	99	102	109	111	109	108
Group I - Products of Agriculture	80	93	98	102	108	110	110	109
Class 001 Wheat	80	93	95	101	108	113	113	112
003 Corn	75	94	95	102	108	109	112	111
033 Cotton in Bales	82	92	98	102	113	119	116	115
2/ Oil Bearing Crops	78	91	99	103	112	113	114	113
2/ Fresh Fruits	83	95	99	101	106	107	107	106
2/ Fresh Vegetables	82	95	99	101	106	108	107	108
085 Potatoes, Other than Swt.	79	94	99	101	108	110	109	110
101 Sugar Beets	86	96	103	106	110	122	124	125
199 Prod. of Agri., N.O.S.	88	94	105	99	112	114	114	109
Group II - Animals and Products	77	93	99	102	110	113	112	112
Class 203 Cattle and Calves, S. D.	79	94	98	103	112	115	114	114
215 Meats, fresh, N. O. S.	73	90	98	103	111	114	114	113
Group III - Products of Mines	83	91	98	102	108	109	108	107
Class 301 Anthracite Coal, N. O. S.	81	90	99	101	107	109	109	108
305 Bituminous Coal	81	89	98	101	107	108	106	105
307 Coke	83	91	97	102	108	109	107	107
309 Iron Ore	88	95	99	103	110	110	111	110
323 Clay and Bentonite	84	95	98	103	112	115	114	114
325 Sand, Industrial	77	91	98	105	114	113	109	108
327 Gravel and Sand, N. O. S.	90	98	102	103	108	110	108	109
329 Stone and Rock: Broken, Ground and Crushed	85	93	100	103	108	110	110	108
331 Fluxing Stone and Raw Dolomite	75	88	98	104	110	111	112	113
337 Petroleum, Crude	81	96	99	101	109	107	102	100
339 Asphalt	77	94	100	101	110	111	111	109
341 Salt	86	93	98	102	108	109	107	108
343 Phosphate Rock	81	95	100	102	109	112	113	105
399 Products of Mines, N. O. S.	82	98	100	101	110	110	109	110
Group IV - Products of Forests	79	93	98	102	110	113	113	113
Class 401 Logs, Butts, and Bolts	83	93	99	102	108	114	110	110
403 Posts, Poles, & Piling, Wdn.	79	92	97	101	111	110	113	114
409 Pulpwood	88	98	100	104	111	113	111	109
411 Lumber, Shingles & Lath	78	92	98	102	110	112	113	113
499 Prod. of Forests, N. O. S.	83	95	100	103	110	116	114	117

1/ Only classes having more than approximately 1,000 cars in the sample are shown separately. The group indexes cover all classes in the group.

2/ These groupings of individual commodity classes are shown at the request of the Department of Agriculture. "Oil bearing crops" include commodity classes 037 to 047, 097 and 105; "Fresh fruits", classes 049 through 069; "Fresh vegetables" classes 077 through 089 (including 085 which is also shown separately).

Indexes of Average Freight Rates for Commodity Groups and Selected Commodity Classes 1/
(1950 - 100)

Item	Index							
	1947	1948	1949	1951	1952	1953	1954	1955
Group V-Manufactures & Miscellaneous	78	94	101	102	110	112	110	108
Class 501 Gasoline	85	99	104	99	104	105	104	100
503 Fuel, Road & Petroleum Residual Oils, N. O. S.	83	98	104	99	104	106	104	103
505 Lubricating Oils & Greases	83	100	108	100	107	111	111	110
507 Petroleum Products, Refined, N. O. S.	79	91	100	101	109	112	111	113
527 Chemicals, N. O. S.	87	105	114	101	105	108	106	104
533 Sodium (Soda) Products	79	92	105	99	107	108	106	104
539 Fertilizers, N.O.S.	78	93	98	102	110	114	113	111
573 Iron, pig	72	90	96	104	113	114	113	114
575 Iron & Steel: Billet, Bloom and Ingot	74	92	97	103	112	113	108	104
577 Iron & Steel: Bar, Rod & Slab	72	92	99	101	108	110	107	105
583 Manufactured Iron & Steel	80	96	103	103	111	113	102	97
587 Iron & Steel Pipe & Fittings, N.O.S.	79	94	100	103	111	114	108	101
595 Machinery & Machs., N.O.S.	76	93	97	103	112	116	115	116
613 Automobiles, Passenger	75	90	98	102	103	103	105	103
623 Vehicle Parts, N.O.S.	74	92	97	103	113	115	114	113
633 Cement: Natural & Portland	79	92	98	103	110	112	110	104
645 Lime, N.O.S.	75	90	97	102	110	113	113	111
655 Scrap Paper and Rags	76	92	99	104	113	115	114	116
659 Printing Paper, N.O.S.	74	90	99	103	110	113	112	109
669 Paperboard, Fibreboard and Pulpboard	77	94	100	103	111	114	111	104
671 Wallboard	78	92	97	102	111	114	110	108
697 Glass Bottles, Jars and Packing Glasses, N.O.S.	77	94	103	101	108	109	109	109
707 Refrigerators, Freezing Apparatus and Parts	71	89	97	103	112	114	115	115
715 Furniture, N.O.S.	75	90	99	102	110	112	113	114
749 Liquors, Malt	81	98	103	102	110	113	111	103
759 Sugar	83	95	99	102	107	110	110	109
763 Food Prod., N.O.S., in Cans & Pkgs., Not Frozen	80	98	104	99	105	107	106	105
773 Feed, Animal & Pltry., N.O.S.	80	95	99	103	112	115	116	118
779 Containers, Metal	74	91	98	103	112	115	114	116
783 Containers, Fibrebd. & Paperboard, K.D.	75	91	99	103	112	114	117	115
789 Scrap Iron & Scrap Steel	74	90	97	105	112	115	111	108
793 Furnace Slag	86	96	104	102	107	107	107	105
797 Waste Materials, N.O.S.	84	96	105	103	108	113	112	112
799 Manufactures & Miscellaneous, N.O.S.	88	100	103	102	111	108	110	105
Group VI - Forwarder Traffic	80	101	106	103	113	114	112	112

Source: Interstate Commerce Commission
Bureau of Transport Economics & Statistics
Statement No. RI-1 entitled "Indexes of Average Freight Rates on Railroad Carload Traffic, 1947-1955"
Issued November 1956

Indexes of Average Freight Rates for Territorial Movement in Total and by Commodity Group 1/
(1950 - 100)

Item	Index							
	1947	1948	1949	1951	1952	1953	1954	1955
Official to official:								
All commodities	77	91	99	103	110	111	109	107
I. Products of Agriculture	73	88	97	102	109	112	112	111
II. Animals and Products	74	91	99	104	111	113	113	114
III. Products of Mines	81	90	98	102	108	109	107	106
IV. Products of Forests	78	91	99	104	114	114	115	115
V. Manufactures & Miscellaneous	74	92	100	103	111	113	109	107
VI. Forwarder	84	106	110	103	113	115	116	116
Official to Southern:								
All commodities	78	92	100	101	108	111	107	105
V. Manufactures & Miscellaneous	78	92	100	101	109	112	107	106
Official to western trunk line:								
All commodities	78	92	99	103	111	112	112	110
V. Manufactures & Miscellaneous	77	92	99	102	111	113	112	110
Official to southwestern:								
All commodities	80	94	97	102	108	109	108	105
V. Manufactures & Miscellaneous	80	94	97	102	109	109	109	105
Official to mountain-Pacific:								
All commodities	78	94	99	101	111	113	111	111
V. Manufactures & Miscellaneous	78	94	99	101	111	112	111	110
Southern to official:								
All commodities	78	91	98	102	109	112	112	109
I. Products of Agriculture	80	94	99	100	105	108	108	108
III. Products of Mines	80	90	97	102	108	111	110	107
IV. Products of Forests	75	90	97	102	112	115	115	115
V. Manufactures & Miscellaneous	76	92	98	102	111	115	113	109
Southern to southern:								
All commodities	83	95	101	102	109	112	109	106
I. Products of Agriculture	82	96	101	101	107	112	111	109
III. Products of Mines	84	94	100	101	107	109	107	104
IV. Products of Forests	82	94	98	104	112	116	114	113
V. Manufactures & Miscellaneous	84	97	104	102	109	113	108	105
Southern to southwestern:								
All commodities	81	91	99	101	109	112	109	107

1/ Only movements having approximately 1,000 cars or more in the sample are shown. Territorial totals cover all shipments in that movement.

[fol. 541]

Indexes of Average Freight Rates for Territorial Movement
in Total and by Commodity Group 1/
(1950 - 100)

Item	Index							
	1947	1948	1949	1951	1952	1953	1954	1955
Western trunk line to official:								
All commodities	75	91	98	102	110	112	112	112
II. Animals and Products	74	91	98	102	111	113	113	112
V. Manufactures & Miscellaneous	76	93	100	101	109	111	111	110
Western trunk line to western trunk line:								
All commodities	83	95	99	102	109	111	111	111
I. Products of Agriculture	78	92	96	103	109	112	113	113
II. Animals and Products	79	94	98	104	111	115	115	116
III. Products of Mines	90	96	99	102	109	109	109	109
IV. Products of Forests	81	93	98	99	105	109	108	108
V. Manufactures & Miscellaneous	82	96	100	101	109	112	111	110
Western trunk line to southwestern:								
All commodities	80	96	100	101	110	112	108	106
Western trunk line to Mtn.-Pacific:								
All commodities	79	95	99	102	111	112	111	110
V. Manufactures & Miscellaneous	80	94	99	102	112	113	113	110
Southwestern to official:								
All commodities	87	102	109	101	106	108	107	106
V. Manufactures & Miscellaneous	90	105	113	101	106	106	106	104
Southwestern to southern:								
All commodities	81	92	101	100	106	109	107	105
Southwestern to western trunk line:								
All commodities	83	97	103	101	110	112	111	111
V. Manufactures & Miscellaneous	84	98	104	101	109	112	111	111
Southwestern to southwestern:								
All commodities	85	97	100	101	108	111	111	109
I. Prod. of Agriculture	85	99	95	102	110	115	114	108
III. Products of Mines	87	93	99	102	107	110	112	111
IV. Products of Forests	82	93	97	102	109	110	110	109
V. Manufactures & Miscellaneous	84	98	102	100	107	109	109	109
Mountain-Pacific to official:								
All commodities	82	95	99	102	107	109	108	108
I. Products of Agriculture	85	96	99	101	105	106	105	105
IV. Products of Forests	79	94	99	102	108	110	110	110
Mountain-Pacific to western trunk line:								
All commodities	80	95	99	102	109	112	111	110
I. Products of Agriculture	81	94	98	102	109	110	111	109
IV. Products of Forests	78	93	98	102	109	112	113	113

[fol. 542]

Indexes of Average Freight Rates for Territorial Movement
in Total and by Commodity Group 1/
(1950 - 100)

Item	Index							
	1947	1948	1949	1951	1952	1953	1954	1955
Mountain-Pacific to southwestern:								
All commodities	81	95	99	101	109	110	108	106
Mountain-Pacific to mountain-Pacific:								
All commodities	83	96	99	100	107	109	110	108
I. Products of Agriculture	80	93	98	100	108	112	111	110
III. Products of Mines	88	96	99	101	106	106	108	107
IV. Products of Forests	81	93	98	100	109	112	113	114
V. Manufactures & Miscellaneous	88	98	101	100	107	108	109	106

Source: Interstate Commerce Commission
Bureau of Transport Economics & Statistics
Statement No. RI-1 entitled "Indexes of Average Freight Rates on Railroad Carload Traffic, 1947-1955"
Issued November 1956

[fol. 543]

Indexes of Average Freight Rates For Inter- and Intrastate Rates
by Commodity Group
(1950 - 100)

Item	Index							
	1947	1948	1949	1951	1952	1953	1954	1955
Interstate rates								
All commodities	79	93	99	102	109	111	109	108
I. Products of Agriculture	80	93	98	102	108	110	110	109
II. Animals and Products	77	93	99	102	110	113	112	112
III. Products of Mines	82	91	98	102	108	109	108	107
IV. Products of Forests	78	92	98	102	110	112	112	112
V. Manufactures & Miscellaneous	78	94	101	102	110	112	110	108
Intrastate rates								
All commodities	82	93	99	102	108	111	109	107
I. Products of Agriculture	80	92	97	102	110	113	115	113
II. Animals and Products	83	96	98	101	108	114	116	117
III. Products of Mines	84	93	99	102	107	108	107	106
IV. Products of Forests	84	95	98	102	111	116	116	115
V. Manufactures & Miscellaneous	80	95	100	102	108	111	109	106

Source: Interstate Commerce Commission
Bureau of Transport Economics & Statistics
Statement No. RI-1 entitled "Indexes of Average Freight Rates on Railroad Carload Traffic, 1947-1955"
Issued November 1956

[fol. 544]

Section 4
Page 9 of 20 pages

CHANGES IN AVERAGE REVENUE PER SHORT LINE CAR-MILE BETWEEN 1947 and 1955 FOR SPECIFIED COMMODITIES
(Based on ICC 1% Waybill Analysis)

TERRITORIAL MOVEMENT

Commodity		U. S. to U. S.				Mtn. Pac. to U. S.				Mtn. Pac. to Mtn. Pac.			
Products of Agriculture	Year	Average Tons Per Car	Average S.L.Haul per Car	Average Revenue Per S.L. Car-mile	Percent of 1947	Average Tons Per Car	Average S.L.Haul Per Car	Average Revenue Per S.L. Car-mile	Percent of 1947	Average Tons Per Car	Average S.L.Haul Per Car	Average Revenue Per S.L. Car-mile	Percent of 1947
	1947	52	378	66¢	100	51	505	67¢	100	52	324	87¢	100
	1948	53	365	77	117	52	459	84	125	52	357	5	109
	1949	53	365	86	130	53	476	89	133	53	348	104	120
	1950	53	344	89	135	53	500	89	133	52	347	108	124
Wheat	1951	54	393	82	124	54	475	93	139	54	335	112	129
	1952	55	368	97	147	54	488	101	151	54	388	112	129
	1953	55	349	105	159	55	494	106	158	54	351	124	143
	1954	55	334	104	158	54	517	103	154	54	380	119	137
	1955	54	324	104	158	54	468	106	158	54	382	116	133
	1947	48	448	52	100	49	737	47	100	47	248	77	100
	1948	49	430	64	123	49	713	58	123	49	308	83	108
	1949	49	414	67	129	49	622	63	134	48	225	95	123
	1950	49	384	73	140	45	961	53	113	42	272	66	86
Barley and Rye	1951	50	399	73	140	50	595	68	145	50	386	83	108
	1952	50	419	74	142	52	675	70	149	52	360	96	125
	1953	51	402	77	148	51	668	69	147	50	301	102	133
	1954	51	344	90	173	51	422	89	189	51	263	113	147
	1955	50	409	80	154	51	483	87	185	51	362	101	131
	1947	38	672	25	100	38	868	26	100	39	624	26	100
	1948	37	656	30	120	37	827	29	112	37	586	28	108
	1949	33	625	32	128	35	807	30	115	36	624	29	112
	1950	31	616	32	128	33	744	29	112	33	633	29	112
Flour, Wheat	1951	35	648	35	140	36	746	32	123	37	602	32	123
	1952	34	643	37	148	36	748	34	131	36	624	34	131
	1953	32	615	36	144	35	688	34	131	35	583	32	123
	1954	32	624	34	136	33	687	30	115	33	615	28	108
	1955	32	609	34	136	33	660	32	123	33	567	31	119
	1947	28	776	38	100	30	1403	34	100	29	282	79	100
	1948	28	777	47	124	31	1494	43	127	30	411	86	109
	1949	26	806	50	132	28	1550	45	132	28	448	84	106
	1950	26	1018	44	116	30	1737	42	124	36	424	82	104
Seeds, N.O.S.	1951	25	1006	49	129	29	1564	48	141	29	392	94	119
	1952	25	877	47	124	29	1756	44	129	30	297	69	87
	1953	26	953	51	134	29	1717	48	141	32	324	93	118
	1954	27	1269	48	126	31	2055	48	141	34	311	81	103
	1955	27	1053	50	132	32	1918	47	138	35	397	100	127

[fol. 545]

TERRITORIAL MOVEMENT

Commodity	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L.Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L.Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L.Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
Products of Agriculture													
	1947	13	1655	19¢	100	13	2271	17¢	100	14	769	25¢	100
	1948	13	1693	21	111	13	2333	19	112	13	770	27	108
	1949	13	1736	22	116	13	2388	20	118	14	688	31	124
	1950	13	1795	22	116	13	2366	20	118	14	812	31	124
Vegetables, N.O.S.	1951	13	1806	23	121	14	2374	20	118	14	641	32	128
Fresh not frozen	1952	13	1822	24	126	14	2372	21	124	14	814	32	128
	1953	13	1814	24	126	14	2351	22	129	13	619	33	132
	1954	13	1799	24	126	13	2391	21	124	14	687	32	128
	1955	13	1749	24	126	13	2344	21	124	14	647	32	128
	1947	15	1259	20	100	15	1637	17	100	16	458	22	100
	1948	15	1072	24	120	15	1455	21	124	16	499	30	136
	1949	15	1161	24	120	15	1564	21	124	16	548	27	123
	1950	15	1365	23	115	15	1761	20	118	16	584	25	114
	1951	15	1390	23	115	15	1765	21	124	16	479	28	127
Onions--dry	1952	15	1406	24	120	15	1730	21	124	15	697	23	105
	1953	15	1419	25	125	15	1767	22	129	16	499	26	118
	1954	14	1593	24	120	15	1896	22	129	16	644	27	123
	1955	15	1566	24	120	15	1895	22	129	16	666	25	114
	1947	32	1877	36	100	32	2216	33	100	33	832	57	100
	1948	28	1876	41	114	28	2229	38	115	32	875	62	109
	1949	29	1754	44	122	29	2042	40	121	28	746	63	111
	1950	29	1856	43	119	29	2029	43	130	31	593	91	160
Vegetables	1951	28	1861	43	119	29	2139	43	130	29	864	70	123
Fresh frozen	1952	27	1859	43	119	27	2194	41	124	28	878	82	144
	1953	27	1771	44	122	27	2011	44	133	26	917	66	116
	1954	28	1823	43	119	28	2113	41	124	28	1015	68	119
	1955	30	2025	43	119	30	2320	40	121	31	916	77	135

[fol. 546]

Section 4
Page 11 of 20 pages

TERRITORIAL MOVEMENT

Commodity: Products of Agriculture	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L. Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L. Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L. Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
	1947	20	1605	26¢	100	21	1905	26¢	100	21	810	28¢	100
	1948	20	1896	29	112	21	2066	29	112	20	997	32	114
	1949	20	1792	30	115	21	1966	30	115	21	561	35	125
	1950	19	1812	30	115	20	1955	30	115	20	785	37	132
Apples, fresh	1951	19	1837	30	115	20	2103	30	115	20	736	40	143
	1952	19	2067	31	119	20	2184	31	119	18	840	32	114
	1953	20	2020	32	123	20	2130	31	119	19	743	41	146
	1954	19	1804	31	119	20	1963	31	119	19	641	42	150
	1955	19	1966	30	115	20	2071	30	115	20	683	30	107
	1947	20	1605	26	100	21	1905	26	100	21	810	28	100
	1948	20	1896	29	112	21	2066	29	112	20	997	32	114
	1949	20	1792	30	115	21	1966	30	115	21	561	35	125
	1950	19	1812	30	115	20	1955	30	115	20	785	37	132
Pears, fresh	1951	19	1837	30	115	20	2103	30	115	20	736	40	143
	1952	19	1804	31	119	20	1963	31	119	19	641	42	150
	1953	20	2020	32	123	20	2130	31	119	19	743	41	146
	1954	19	2067	31	119	20	2184	31	119	18	840	32	114
	1955	19	1966	30	115	20	2071	30	115	20	683	30	107
	1947	14	1769	21	100	14	2119	20	100	16	675	32	—
	1948	14	2019	22	105	14	2393	21	105	13	822	29	—
	1949	14	1991	24	114	14	2356	22	110	14	1341	31	—
	1950	14	2067	23	110	14	2458	22	110	15	959	38	—
Fresh fruit,	1951	14	2227	23	110	15	2418	23	115	15	1232	31	—
not frozen, N.O.S.	1952	14	2055	25	119	14	2239	25	125	13	425	45	—
	1953	14	2344	25	119	15	2466	24	120	14	1244	34	—
	1954	15	2158	25	119	15	2403	25	125	13	1030	25	—
	1955	14	2213	25	119	15	2314	25	125	15	971	31	—

[fol. 547]

Section 4
Page 12 of 20 pages

TERRITORIAL MOVEMENT

Commodity: Products of Agriculture	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L. Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L. Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L. Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
Fruits & Berries, Frozen	1947	28	1429	36¢	100	28	2164	31¢	100	31	553	75¢	—
	1948	29	1620	44	122	30	2106	40	129	23	247	122	—
	1949	31	2039	42	117	31	2301	42	135	34	668	69	—
	1950	29	2030	43	119	28	2243	42	135	28	862	77	—
	1951	27	1851	42	117	28	2338	42	135	28	317	101	—
	1952	29	2158	45	125	30	2558	43	139	40	478	115	—
	1953	29	2047	43	119	29	2314	43	139	30	487	86	—
	1954	31	2094	42	117	32	2470	43	139	24	730	58	—
	1955	29	2255	38	106	30	2535	39	126	27	870	76	—
Potatoes, other than sweet	1947	21	931	27	100	21	1431	23	100	22	528	31	100
	1948	22	870	35	130	20	1406	26	113	21	591	36	116
	1949	20	1023	32	119	19	1491	25	109	20	558	35	113
	1950	20	1111	29	107	18	1571	25	109	19	577	33	106
	1951	19	1123	29	107	18	1484	25	109	20	509	33	106
	1952	19	1187	31	115	18	1523	27	117	19	590	34	110
	1953	19	1212	31	115	18	1607	27	117	19	610	34	110
	1954	19	1181	31	115	18	1561	27	117	19	534	35	113
	1955	19	1238	30	111	18	1628	26	113	20	542	35	113
Beans & Peas Dried	1947	39	818	46	100	39	1084	45	100	41	298	93	100
	1948	40	858	51	111	40	1089	53	118	40	324	99	106
	1949	37	830	50	109	37	1133	49	108	38	308	98	105
	1950	36	905	50	109	36	1220	49	108	37	375	84	90
	1951	37	892	49	107	36	1165	50	111	37	294	98	105
	1952	37	869	50	109	35	1282	50	111	36	267	101	109
	1953	37	883	53	115	36	1256	53	118	36	386	92	99
	1954	36	889	53	115	36	1204	50	111	36	396	86	92
	1955	37	936	49	107	37	1184	50	111	37	328	90	97

TERRITORIAL MOVEMENT

Commodity	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L. Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L. Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L. Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
Animals & Products													
	1947	10	610	17¢	100	10	650	17¢	100	10	368	22¢	100
	1948	10	617	20	118	10	621	21	124	10	386	25	114
	1949	10	670	21	124	10	660	21	124	10	415	25	114
	1950	10	640	21	124	10	607	22	129	10	381	26	118
Sheep and	1951	10	738	20	118	10	694	21	124	9	428	23	105
Goats, D.D.	1952	10	715	23	135	9	722	22	129	9	385	27	123
	1953	9	772	22	129	9	791	22	129	9	463	26	118
	1954	10	698	24	141	10	692	24	141	10	415	28	127
	1955	10	734	24	141	10	718	24	141	10	438	29	132
	1947	11	550	21	100	11	655	20	100	12	574	22	100
	1948	11	566	25	119	11	713	22	110	11	615	24	109
	1949	11	569	26	124	11	748	23	115	12	585	27	123
	1950	11	512	25	119	11	761	23	115	11	706	24	109
Cattle and	1951	11	663	25	119	11	764	23	115	11	701	24	109
Calves, S.D.	1952	11	649	27	129	11	778	25	125	11	684	26	118
	1953	11	673	29	138	11	782	26	130	11	701	28	127
	1954	11	720	27	129	11	833	25	125	11	789	26	118
	1955	11	727	27	129	11	858	24	120	11	763	26	118
	1947	32	855	46	100	38	2272	39	100	36	686	4[illegible]	—
	1948	29	829	55	120	38	2314	47	121	34	632	100	—
	1949	29	869	58	126	40	2107	56	144	39	494	95	—
	1950	28	811	58	126	36	2120	53	136	28	531	96	—
Hides, Skins,	1951	28	911	58	126	36	2141	54	138	31	535	109	—
and Pelts	1952	27	877	63	137	34	2081	55	141	25	455	94	—
	1953	28	912	64	139	34	2234	52	133	33	421	98	—
	1954	28	901	65	141	36	1766	58	149	34	294	105	—
	1955	28	970	65	141	35	2058	57	146	28	492	101	—

[fol. 549]

Section 4
Page 14 of 20 pages

TERRITORIAL MOVEMENT

Commodity	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L.Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L.Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L.Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
Animals & Products													
	1947	16	718	38¢	100	17	2014	31¢	100	17	257	101¢	—
	1948	17	861	44	116	16	1915	39	126	15	286	78	—
	1949	16	796	45	118	16	1743	40	127	14	253	82	—
	1950	18	851	43	113	19	2041	35	113	16	422	87	—
Wool and Mohair	1951	18	1090	42	111	18	2010	34	110	15	149	113	—
in grease	1952	18	960	51	134	19	2497	37	119	13	216	60	—
	1953	18	1005	49	129	18	2348	39	126	13	658	77	—
	1954	18	958	49	129	16	1884	40	129	14	173	115	—
	1955	17	1165	47	124	17	2189	40	129	13	308	73	—
	1947	29	452	34	100	31	813	34	100	33	484	45	100
Products of	1948	27	452	38	112	30	866	35	103	31	466	51	113
Forests	1949	28	463	42	124	31	911	37	109	33	609	48	107
	1950	27	460	41	121	29	887	38	112	30	627	47	104
	195'	27	474	39	115	30	1011	35	103	32	683	45	100
Posts, Poles,	1952	27	470	43	126	29	1011	39	115	31	637	53	118
and Piling,	1953	27	468	45	132	31	911	44	129	31	622	53	118
Wooden	1954	27	471	46	135	31	919	44	129	34	633	60	133
	1955	27	461	47	138	31	847	43	126	33	585	58	129
	1947	34	87	39	100	34	70	38	100	34	70	38	100
	1948	36	82	44	113	36	68	43	113	36	67	43	113
	1949	37	82	48	123	37	68	46	121	37	67	46	121
	1950	37	86	49	126	37	71	46	121	37	68	47	124
Logs, Butts,	1951	37	95	47	121	37	79	43	113	37	78	44	116
and Bolts	1952	37	92	52	133	37	78	48	126	37	73	49	129
	1953	36	94	54	138	36	77	50	132	36	72	51	134
	1954	37	98	52	133	37	80	49	129	37	71	51	134
	1955	37	94	52	133	36	78	49	129	36	71	50	132

[fol. 550]

Section 4
Page 15 of 20 pages

TERRITORIAL MOVEMENT

Commodity: Products of Forests	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L.Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L.Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L.Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
	1947	34	847	32¢	100	35	1422	29¢	100	37	516	46¢	100
	1948	32	907	37	116	36	1500	34	117	37	553	53	115
	1949	31	1030	36	113	34	1622	33	114	35	573	57	124
	1950	31	1031	37	116	34	1627	34	117	36	602	53	115
Lumber, Shingles and Lath	1951	32	1068	38	119	35	1663	35	121	37	591	54	117
	1952	32	1145	40	125	35	1720	37	128	37	572	58	126
	1953	32	1194	39	122	34	1724	37	128	36	604	57	124
	1954	31	1322	38	119	33	1800	36	124	36	583	58	126
	1955	31	1304	38	119	33	1785	36	124	36	590	58	126
	1947	24	1163	23	100	26	1990	20	100	23	721	29	100
	1948	22	1174	26	113	26	2305	23	115	22	677	38	131
	1949	22	1231	26	113	26	2160	24	120	26	766	39	134
	1950	22	1195	27	117	26	2138	25	125	26	892	40	138
Building, Woodwork and Millwork	1951	21	1081	29	126	27	2161	25	125	22	842	34	117
	1952	22	1177	29	126	27	2328	25	125	25	982	36	124
	1953	21	1142	28	122	25	2146	25	125	23	764	40	138
	1954	22	1173	28	122	26	2251	25	125	23	869	38	131
	1955	22	1191	27	117	25	2293	25	125	20	882	32	110
	1947	38	1151	34	100	41	1659	33	100	40	467	54	100
	1948	34	1224	39	115	39	1601	38	115	39	604	60	111
	1949	32	1552	34	100	35	1941	33	100	38	602	58	107
Veneer Plywood and Built up Wood	1950	32	1499	36	106	35	1935	34	103	37	546	61	113
	1951	35	1531	39	115	38	1948	37	112	39	550	66	122
	1952	35	1598	40	118	38	1910	39	118	38	536	68	126
	1953	33	1715	37	109	35	1961	36	109	38	521	74	137
	1954	33	1742	36	106	34	2013	35	106	38	516	71	132
	1955	33	1775	35	103	34	2024	34	103	38	472	71	132

[fol. 551]

Section 4
Page 16 of 20 pages

TERRITORIAL MOVEMENT

Commodities	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L. Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L. Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L. Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
Manufactured and Miscellaneous													
	1947	19	733	46¢	100	19	1050	49¢	100	20	539	66¢	—
	1948	19	769	56	122	22	1129	58	118	22	402	85	—
	1949	19	801	58	126	22	1217	58	118	24	576	81	—
Machinery and Machines	1950	20	802	65	141	27	1033	78	159	28	601	100	—
	1951	20	820	65	141	24	1017	74	151	24	523	80	—
	1952	21	842	73	159	22	1089	74	151	24	481	96	—
	1953	20	857	73	159	25	1254	74	151	28	506	107	—
	1954	21	871	74	161	21	1319	67	137	23	605	95	—
	1955	22	845	76	165	23	1073	68	139	26	464	90	—
	1947	15	742	34	100	12	1698	27	100	13	881	28	—
	1948	15	677	43	126	15	1639	35	130	11	681	32	—
	1949	15	845	45	132	16	1580	39	144	15	720	50	—
	1950	14	860	44	129	16	1700	38	141	15	659	50	—
Furnaces	1951	14	846	45	132	15	1338	40	148	13	609	46	—
	1952	14	932	49	144	15	1634	40	148	15	741	53	—
	1953	14	924	50	147	14	1687	42	156	10	710	52	—
	1954	14	997	47	138	14	1695	38	141	12	928	42	—
	1955	14	918	48	141	14	1619	42	156	9	577	52	—
	1947	9	760	28	100	11	942	28	100	10	621	33	100
	1948	9	840	33	118	9	1154	29	104	9	695	35	106
	1949	9	823	35	125	9	1071	33	118	10	726	37	112
	1950	8	825	35	125	10	1070	35	125	10	697	35	106
Furniture	1951	9	815	36	129	10	1117	36	129	9	758	36	109
	1952	8	825	39	139	9	1109	35	125	9	682	38	115
	1953	9	755	42	150	11	970	40	143	11	615	45	136
	1954	8	782	40	143	10	1218	36	129	10	749	39	118
	1955	8	816	39	139	10	977	35	125	9	699	36	109
	1947	46	783	36	100	50	2507	26	100	47	1574	28	—
	1948	43	823	43	119	50	2192	32	123	50	493	63	—
	1949	42	825	46	128	50	2362	33	127	50	820	49	—
	1950	42	929	45	125	49	2473	33	127	48	641	65	—
Wood Pulp	1951	43	885	48	133	49	2378	35	135	46	840	54	—
	1952	44	978	51	142	50	2487	38	146	50	831	58	—
	1953	44	942	52	144	49	2323	39	150	49	938	61	—
	1954	44	899	53	147	49	2393	38	146	49	854	65	—
	1955	45	961	53	147	48	2338	37	142	48	792	61	—

[fol. 552]

Section 4
Page 17 of 20 pages

TERRITORIAL MOVEMENT

Commodities	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L.Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L.Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L.Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
Manufactured and Miscellaneous													
	1947	29	652	38¢	100	32	1243	31¢	100	33	1030	35¢	100
	1948	28	604	46	121	31	945	36	116	32	665	46	131
	1949	28	514	54	142	29	624	48	155	29	624	48	137
	1950	28	544	55	145	30	657	49	158	30	657	49	140
Newsprint Paper	1951	28	578	55	145	30	580	47	152	30	580	47	134
	1952	29	576	60	158	30	815	47	152	30	783	49	140
	1953	28	631	57	150	29	819	46	148	29	798	46	131
	1954	28	631	58	153	29	1081	44	142	29	1029	45	129
	1955	28	606	58	153	30	1084	46	148	30	1084	46	131
	1947	27	248	48	100	28	323	59	100	28	306	61	100
	1948	28	284	54	113	28	352	67	114	29	318	72	118
	1949	28	250	59	123	28	326	69	117	28	281	76	125
	1950	28	246	58	121	28	324	65	110	28	262	75	123
Gasoline	1951	28	246	58	121	28	319	65	110	28	262	73	120
	1952	29	228	64	133	29	304	77	122	29	277	76	125
	1953	29	208	69	144	29	299	73	124	29	282	75	123
	1954	29	190	69	144	29	291	71	120	30	284	72	118
	1955	29	193	68	142	30	312	69	117	30	312	69	113
	1947	37	342	53	100	37	626	42	100	37	337	55	100
	1948	37	364	64	121	37	634	49	117	36	328	70	127
	1949	37	354	69	130	37	553	57	136	36	283	80	145
	1950	37	369	68	128	37	630	51	122	37	325	75	136
Asphalt	1951	37	409	66	125	37	722	49	117	37	305	79	144
	1952	37	404	72	136	37	642	57	136	36	339	80	145
	1953	37	409	72	136	37	641	60	143	36	333	79	144
	1954	37	436	70	132	38	631	61	145	37	357	79	144
	1955	37	447	65	123	38	656	57	136	37	333	73	133

[fol. 553]

Section 4
Page 18 of 20 pages

TERRITORIAL MOVEMENT

Commodities	Year	U. S. to U. S. Average Tons Per Car	U. S. to U. S. Average S.L.Haul Per Car	U. S. to U. S. Average Revenue Per S.L. Car-mile	U. S. to U. S. Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Mtn. Pac. to U. S. Average S.L.Haul Per Car	Mtn. Pac. to U. S. Average Revenue Per S.L. Car-mile	Mtn. Pac. to U. S. Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Mtn. Pac. to Mtn. Pac. Average S.L.Haul Per Car	Mtn. Pac. to Mtn. Pac. Average Revenue Per S.L. Car-mile	Mtn. Pac. to Mtn. Pac. Percent of 1947
Manufactured and Miscellaneous													
	1947	30	533	44¢	100	34	473	41¢	100	34	397	43¢	100
	1948	31	496	55	125	34	606	44	107	34	498	46	107
	1949	29	477	56	127	32	577	44	107	32	524	45	105
	1950	28	505	55	125	32	570	44	107	32	515	45	105
Wallboard	1951	29	486	57	130	33	563	45	110	33	481	47	109
	1952	29	510	60	136	33	602	45	110	33	476	50	116
	1953	28	535	59	134	33	609	44	107	34	459	50	116
	1954	29	547	58	132	33	657	45	110	33	478	51	119
	1955	30	562	56	127	34	770	44	107	34	487	52	121
	1947	29	667	44	100	32	1022	41	100	33	828	42	100
	1948	27	736	51	116	31	1094	51	124	32	865	53	126
	1949	26	710	53	120	33	1010	53	129	33	798	56	133
	1950	25	724	50	114	30	1015	49	120	31	743	56	133
Wrapping Paper	1951	26	728	52	118	32	1031	47	115	33	850	52	124
	1952	25	783	52	118	30	1139	49	120	32	855	56	133
	1953	25	738	56	127	34	988	55	134	35	804	61	145
	1954	25	761	54	123	34	1096	53	129	36	889	59	140
	1955	26	749	53	120	32	958	52	127	33	832	56	133
	1947	32	848	43	100	36	1559	37	100	34	529	53	100
	1948	29	856	52	121	35	1536	44	119	34	583	62	117
	1949	26	824	51	119	33	1460	45	122	31	566	57	108
Canned Goods	1950	25	830	48	112	32	1487	46	124	29	549	57	108
	1951	27	861	50	116	34	1429	49	132	33	530	60	113
(Foods Products, N.O.S.	1952	27	839	52	121	35	1407	51	138	34	539	66	125
Canned)	1953	26	838	51	119	33	1484	50	135	33	624	65	123
	1954	25	836	49	114	33	1464	47	127	32	546	61	115
	1955	25	915	47	109	32	1645	45	122	30	501	61	115

[fol. 554]

Section 4
Page 19 of 20 pages

TERRITORIAL MOVEMENT

Commodities	Year	U. S. to U. S. Average Tons Per Car	Average S.L. Haul Per Car	Average Revenue Per S.L. Car-mile	Percent of 1947	Mtn. Pac. to U. S. Average Tons Per Car	Average S.L. Haul Per Car	Average Revenue Per S.L. Car-mile	Percent of 1947	Mtn. Pac. to Mtn. Pac. Average Tons Per Car	Average S.L. Haul Per Car	Average Revenue Per S.L. Car-mile	Percent of 1947
Manufactured and Miscellaneous													
	1947	44	503	60¢	100	46	916	48¢	100	45	377	69¢	100
	1948	45	565	68	113	48	974	55	115	48	351	89	129
	1949	41	514	67	111	43	881	50	104	42	337	74	107
	1950	41	591	63	105	42	1118	47	98	42	392	77	112
	1951	41	545	65	108	42	930	50	104	40	330	75	109
Sugar	1952	42	503	70	117	42	939	53	110	41	360	82	119
	1953	42	473	73	122	43	954	54	113	44	321	89	129
	1954	42	580	67	112	44	1114	53	110	45	321	93	135
	1955	41	506	71	118	45	1027	57	119	45	395	93	135
	1947	51	1081	57	100	53	1839	40	100	58	162	78	—
	1948	46	985	56	98	50	1350	45	113	53	298	84	—
	1949	46	1063	59	104	50	1426	46	115	52	228	78	—
	1950	45	1100	56	98	50	1420	47	118	51	361	82	—
Aluminum, Bar and Ingot	1951	48	871	61	107	51	1041	49	123	51	247	74	—
	1952	47	997	74	130	51	1297	57	143	52	505	76	—
	1953	49	1278	65	114	52	1651	55	138	52	404	80	—
	1954	51	1236	65	114	51	1545	56	140	51	382	72	—
	1955	49	1197	65	114	51	1552	54	135	53	512	73	—
	1947	27	921	57	100	26	1613	45	100	27	840	52	100
	1948	26	1082	57	100	24	1947	42	93	26	987	57	110
	1949	24	1149	54	95	24	1880	41	91	22	1247	39	75
	1950	22	1304	49	86	23	1903	41	91	21	1119	37	71
	1951	21	1260	46	81	21	1777	38	84	22	1236	43	83
Aluminum, N.O.S.	1952	21	1386	51	89	23	2068	44	98	21	775	46	88
	1953	22	1392	51	89	22	1983	41	91	22	1145	41	79
	1954	22	1351	47	82	21	1964	38	84	30	1052	45	87
	1955	22	1404	45	79	19	1971	36	80	24	1258	35	67

[fol. 555]

EXPLANATION OF REFERENCE MARKS

U.S. - United States

Mt.P. - Mountain Pacific Territory

East Includes - Official Territory
Western Trunk Line Territory
Southwestern Territory
Southern Territory

SOURCE: Interstate Commerce Commission, Bureau of Transport Economics & Statistics.

Carload Waybill Analysis, 1947,				- Statement	No.	495,	Issued Feb.,	1949
				"	"	496	" Feb.,	1949
				"	"	4911	" March,	1949
				"	"	4927	" July,	1949
				"	"	4910	" March,	1949
"	"	"	1948	"	"	5028	" June,	1950
"	"	"	1949	"	"	5034	" July,	1950
"	"	"	1950	"	"	5131	" June,	1951
"	"	"	1951	"	"	5238	" Sept.,	1952
"	"	Statistics	1952	"	"	5340	" "	1953
"	"	"	1953	"	"	TD-1	" Nov.,	1954
"	"	"	1954	"	"	TD-1	" "	1955
"	"	"	1955	"	"	TD-1	" Aug.,	1956

Section No. 5

Carloads and Tonnage Originated in Oregon of Representative Commodities by Class I Railroads Between 1946 and 1955

CARLOADS AND TONNAGE ORIGINATED BY CLASS I RAILROADS IN OREGON

1946 to 1955

COMMODITY	Year	Number of Carloads Originated	Percent of 1947	Originated Tonnage	Percent of 1947
Wheat	1946	9,052	78%	466,926	77%
	1947	11,534	100	609,040	100
	1948	7,220	63	392,226	64
	1949	9,947	86	552,716	91
	1950	6,629	57	368,322	60
	1951	11,152	97	628,049	103
	1952	9,668	84	553,383	91
	1953	8,778	76	498,198	82
	1954	9,116	79	512,029	84
	1955	8,539	74	481,827	79
Barley and Rye	1946	1,763	52	87,108	51
	1947	3,409	100	172,180	100
	1948	2,909	85	149,502	87
	1949	3,684	108	190,804	111
	1950	2,463	72	132,831	77
	1951	3,045	89	160,619	93
	1952	2,728	80	148,199	86
	1953	2,488	73	135,420	79
	1954	3,589	105	194,616	113
	1955	4,428	130	229,538	133
Flour, Wheat	1946	5,676	100	222,856	77
	1947	5,693	100	288,137	100
	1948	4,263	75	169,105	59
	1949	3,458	61	129,738	45
	1950	3,398	60	119,401	41
	1951	3,744	66	143,590	50
	1952	3,508	62	132,535	46
	1953	3,562	63	131,390	46
	1954	3,715	65	129,521	45
	1955	4,027	71	141,581	49
Apples, fresh	1946	1,270	127	26,488	126
	1947	997	100	20,944	100
	1948	961	96	20,082	96
	1949	815	82	17,153	82
	1950	514	52	10,490	50
	1951	538	54	10,880	52
	1952	422	42	8,458	40
	1953	414	42	8,302	40
	1954	269	27	5,519	26
	1955	494	50	10,146	48
Pears, fresh	1946	*	----	*	----
	1947	4,488	100%	87,584	100%
	1948	4,230	94	82,242	94
	1949	4,347	97	84,526	97
	1950	4,141	92	81,761	93
	1951	4,474	100	88,631	101
	1952	3,966	88	77,849	89
	1953	4,374	97	84,831	97
	1954	2,882	64	56,950	65
	1955	4,132	92	81,360	93
Fruits and Berries, Fresh Frozen	1946	*	----	*	----
	1947	840	100	25,450	100
	1948	1,135	135	36,241	142
	1949	1,139	136	33,322	131
	1950	960	114	27,535	108
	1951	733	87	20,717	181
	1952	1,249	149	37,044	146
	1953	1,438	171	43,007	169
	1954	1,276	152	40,925	161
	1955	1,477	176	47,960	188
Onions, Dry	1946	2,293	68	41,204	74
	1947	3,370	100	55,887	100
	1948	1,818	54	28,423	51
	1949	3,023	90	46,768	90
	1950	2,780	82	42,580	76
	1951	4,150	123	64,113	115
	1952	3,952	117	60,623	108
	1953	3,024	90	46,111	83
	1954	3,644	108	55,967	100
	1955	3,013	89	47,477	85
Potatoes, Other than Sweet	1946	9,330	119	217,136	118
	1947	7,856	100	184,343	100
	1948	6,802	87	145,297	79
	1949	8,617	110	171,868	93
	1950	7,901	101	150,028	81
	1951	9,961	127	189,506	103
	1952	9,644	123	180,120	98
	1953	9,511	121	176,423	96
	1954	9,728	124	180,786	98
	1955	8,325	106	158,582	86

* Not Reported Separately

CARLOADS AND TONNAGE ORIGINATED BY CLASS I RAILROADS IN OREGON

1946 to 1955

COMMODITY	Year	Number of Carloads Originated	Percent of 1947	Originated Tonnage	Percent of 1947
Vegetables, Fresh, Frozen	1946	*	---	*	---
	1947	859	100%	27,431	100%
	1948	1,065	124	30,271	110
	1949	1,197	139	32,034	117
	1950	1,301	151	33,161	121
	1951	1,521	177	38,729	141
	1952	1,590	185	42,228	154
	1953	1,817	212	50,147	183
	1954	1,809	211	53,340	194
	1955	1,706	199	53,353	194
Sugar Beets	1946	3,329	50	142,312	50
	1947	6,696	100	285,425	100
	1948	5,496	82	224,808	79
	1949	3,564	53	168,135	59
	1950	3,605	53	176,802	62
	1951	3,317	50	161,252	56
	1952	2,143	32	111,360	39
	1953	2,548	38	125,767	44
	1954	3,627	54	181,315	64
	1955	3,268	49	163,250	57
Seeds, NOS	1946	*	---	*	---
	1947	2,020	100	63,620	100
	1948	1,903	94	57,303	90
	1949	1,957	96	57,105	90
	1950	2,465	122	56,230	88
	1951	2,642	131	78,862	124
	1952	2,314	115	67,503	106
	1953	2,115	105	62,777	99
	1954	2,211	109	67,501	106
	1955	2,770	137	85,182	134
Products of Agriculture, NOS	1946	# 3,386	---	# 85,848	---
	1947	1,470	100	27,239	100
	1948	1,390	95	25,154	92
	1949	1,565	106	29,467	108
	1950	1,404	95	22,233	82
	1951	1,278	87	22,267	82
	1952	1,313	89	21,188	78
	1953	1,154	79	16,819	62
	1954	1,087	74	16,074	59
	1955	1,045	71	15,422	57
Cattle and Calves (Single Deck)	1946	7,020	101%	83,641	104%
	1947	6,947	100	80,464	100
	1948	4,734	68	54,853	66
	1949	5,559	80	62,643	78
	1950	3,908	56	42,429	53
	1951	2,847	41	30,654	38
	1952	2,183	31	23,933	30
	1953	2,451	35	27,283	34
	1954	1,919	28	22,293	28
	1955	2,843	41	31,170	39
Sheep and Goats (Double Deck)	1946	2,645	132	26,661	133
	1947	2,000	100	20,005	100
	1948	1,624	81	16,209	81
	1949	1,463	73	14,533	73
	1950	1,414	71	13,828	69
	1951	1,206	60	11,952	60
	1952	1,076	54	10,639	53
	1953	513	26	4,142	21
	1954	1,070	53	10,659	53
	1955	464	23	3,657	18
Gravel and Sand, NOS	1946	1,878	54	103,116	54
	1947	3,487	100	189,304	100
	1948	3,523	101	193,418	102
	1949	4,205	121	238,386	126
	1950	2,841	81	158,002	83
	1951	4,363	125	245,598	130
	1952	5,139	147	288,146	152
	1953	3,296	94	180,065	95
	1954	1,409	40	82,307	43
	1955	1,499	43	81,550	43
Stone and Rock (Broken, Crushed or Ground)	1946	3,428	54	186,543	54
	1947	6,308	100	343,424	100
	1948	7,483	119	410,013	119
	1949	8,116	129	433,726	126
	1950	9,053	144	484,667	141
	1951	9,342	148	508,268	148
	1952	9,083	144	499,365	145
	1953	9,129	145	489,859	143
	1954	9,085	144	492,677	143
	1955	9,054	144	493,911	144

* Not Reported Separately
# Includes Commodities Reported Separately in Later Years

CARLOADS AND TONNAGE ORIGINATED BY CLASS I RAILROADS IN OREGON

1946 to 1955

COMMODITY	Year	Number of Carloads Originated	Percent of 1947	Originated Tonnage	Percent of 1947
Logs, Butts and Bolts	1946	82,967	81%	2,712,142	84%
	1947	101,943	100	3,224,232	100
	1948	91,348	90	2,902,584	90
	1949	81,698	80	2,649,504	82
	1950	76,260	75	2,466,418	76
	1951	82,264	81	2,581,218	80
	1952	69,445	68	2,201,284	68
	1953	71,818	70	2,332,590	72
	1954	55,905	55	1,797,159	56
	1955	57,051	56	1,757,887	55
Posts, Poles and Piling	1946	8,314	81	302,728	85
	1947	10,217	100	356,928	100
	1948	8,290	81	267,678	75
	1949	7,372	72	243,626	68
	1950	5,888	58	199,858	56
	1951	7,455	73	251,211	70
	1952	9,175	90	291,979	82
	1953	5,604	55	196,750	55
	1954	4,690	46	162,342	45
	1955	4,707	46	168,870	47
Lumber, Shingles and Lath	1946	156,711	86	6,130,970	86
	1947	183,108	100	7,139,547	100
	1948	201,234	110	7,822,436	110
	1949	194,961	106	6,981,794	98
	1950	212,120	116	7,415,526	104
	1951	216,027	118	7,667,844	107
	1952	226,701	124	8,225,808	115
	1953	225,425	123	8,100,992	113
	1954	230,357	126	7,920,733	111
	1955	228,666	125	7,846,252	110
Veneer and Plywood	1946	3,953	53	165,987	51
	1947	7,522	100	325,485	100
	1948	10,340	137	452,392	139
	1949	11,134	148	410,725	126
	1950	15,075	200	547,343	168
	1951	17,169	228	646,894	199
	1952	20,832	277	789,955	243
	1953	30,978	412	1,146,409	352
	1954	39,062	519	1,388,837	427
	1955	48,519	645	1,719,706	528
Gasoline	1946	14,069	89%	416,697	87%
	1947	15,820	100	478,746	100
	1948	16,089	102	481,207	101
	1949	12,498	79	376,130	79
	1950	13,183	83	399,668	83
	1951	12,919	82	400,325	84
	1952	12,225	77	376,614	79
	1953	12,342	78	372,849	78
	1954	12,931	82	398,835	83
	1955	12,878	81	400,146	84
Fuel, Road and Petroleum Oils	1946	6,131	65	215,893	65
	1947	9,441	100	332,660	100
	1948	11,789	125	411,569	124
	1949	10,243	108	353,797	106
	1950	9,921	105	338,524	102
	1951	8,815	93	308,897	93
	1952	9,548	101	329,650	99
	1953	9,542	101	318,043	96
	1954	9,862	104	314,656	95
	1955	11,401	121	351,243	106
Cement, Natural or Portland	1946	2,492	119	121,517	116
	1947	2,091	100	104,757	100
	1948	1,843	88	91,958	88
	1949	1,508	72	75,287	72
	1950	1,907	91	101,949	97
	1951	3,864	185	220,342	210
	1952	2,645	126	156,681	150
	1953	936	45	55,359	53
	1954	868	42	55,405	53
	1955	1,070	51	71,312	68
Wood - Pulp	1946	*	—	*	—
	1947	1,003	100	48,961	100
	1948	1,228	122	60,916	125
	1949	891	89	45,178	92
	1950	1,183	118	60,104	123
	1951	1,934	193	100,041	204
	1952	1,947	194	101,027	206
	1953	1,256	125	66,051	135
	1954	1,038	103	52,207	107
	1955	1,634	163	83,910	171

* Not reported Separately

CARLOADS AND TONNAGE ORIGINATED BY CLASS I RAILROADS IN OREGON

1946 to 1955

COMMODITY	Year	Number of Carloads Originated	Percent of 1947	Originated Tonnage	Percent of 1947
Newsprint Paper	1946	1,844	130%	56,755	128%
	1947	1,423	100	44,387	100
	1948	1,090	77	34,140	77
	1949	789	55	24,503	55
	1950	1,262	89	39,947	90
	1951	1,055	74	33,497	75
	1952	698	49	21,945	49
	1953	631	44	19,684	44
	1954	395	28	12,198	27
	1955	1,190	84	36,350	82
Wrapping Paper	1946	# 4,880	---	# 138,572	---
	1947	4,127	100	129,839	100
	1948	3,492	85	120,698	93
	1949	3,866	94	117,225	90
	1950	4,159	101	121,425	94
	1951	4,091	99	127,945	99
	1952	3,305	80	102,589	79
	1953	3,173	77	97,072	75
	1954	3,268	79	98,692	76
	1955	3,765	91	112,685	87
Paper Bags	1946	#	---	#	---
	1947	1,653	100	40,800	100
	1948	1,086	66	28,451	70
	1949	1,296	78	34,745	85
	1950	1,246	75	31,878	78
	1951	1,413	85	36,840	90
	1952	1,178	71	30,525	75
	1953	1,278	77	33,264	82
	1954	1,397	85	36,014	88
	1955	1,694	102	42,235	104
Paper and Paper Articles, NOS	1946	*	---	*	---
	1947	1,937	100	40,311	100
	1948	2,116	109	44,583	111
	1949	2,483	128	49,461	123
	1950	2,813	145	54,764	136
	1951	2,591	134	52,642	131
	1952	2,412	125	50,185	124
	1953	2,557	132	54,336	135
	1954	3,211	166	66,582	165
	1955	4,095	211	84,561	210
Paperboard, Fibreboard and Pulpboard	1946	978	321%	27,731	287%
	1947	305	100	9,655	100
	1948	235	77	7,147	74
	1949	414	136	13,658	141
	1950	1,355	444	44,642	462
	1951	1,992	653	69,790	723
	1952	2,486	815	83,310	863
	1953	3,263	1070	113,086	1171
	1954	4,212	1381	157,173	1628
	1955	5,099	1672	192,943	1998
Wallboard	1946	*	---	*	---
	1947	1,187	100	33,831	100
	1948	1,208	102	34,906	103
	1949	660	56	17,725	52
	1950	1,165	98	32,058	95
	1951	1,015	86	29,255	86
	1952	790	67	23,612	70
	1953	961	81	30,451	90
	1954	1,416	119	43,634	129
	1955	3,219	271	91,913	272
Building Woodwork and Millwork	1946	1,298	57	37,667	57
	1947	2,266	100	66,621	100
	1948	2,577	114	76,397	115
	1949	2,115	93	59,951	90
	1950	2,673	118	73,161	110
	1951	2,212	98	60,988	92
	1952	2,419	107	69,461	104
	1953	2,296	101	66,721	100
	1954	2,270	100	64,015	96
	1955	2,823	125	80,662	121
Furniture, NOS	1946	2,654	114	26,755	116
	1947	2,331	100	22,970	100
	1948	2,669	115	24,147	105
	1949	1,901	82	17,379	76
	1950	1,709	73	15,254	66
	1951	1,622	70	14,282	62
	1952	1,820	78	16,116	70
	1953	1,290	55	12,351	54
	1954	1,293	55	12,157	53
	1955	890	38	8,744	38

* Not Reported Separately
# Combined Total for Wrapping Paper and Paper Bags

CARLOADS AND TONNAGE ORIGINATED BY CLASS I RAILROADS IN OREGON

1946 to 1955

COMMODITY	Year	Number of Carloads Originated	Percent of 1947	Originated Tonnage	Percent of 1947
	1946	1,189	91%	53,639	86%
	1947	1,309	100	62,219	100
	1948	1,716	131	81,156	130
	1949	1,238	95	54,553	88
	1950	1,562	119	70,467	113
Sugar	1951	1,318	101	59,468	96
	1952	1,309	100	58,554	94
	1953	1,350	103	60,275	103
	1954	1,628	124	71,821	115
	1955	1,675	128	68,951	111
	1946	8,863	126	304,190	126
	1947	7,037	100	241,898	100
	1948	6,573	93	230,072	95
	1949	6,299	90	206,876	86
	1950	6,155	87	189,966	79
Food Products, NOS in Cans	1951	7,649	109	227,117	94
	1952	7,571	108	228,480	94
	1953	6,660	95	198,090	82
	1954	6,046	86	180,427	75
	1955	7,184	102	208,266	86
	1946	•	—	•	—
	1947	4,121	100	126,751	100
	1948	4,027	98	120,350	95
	1949	3,850	93	108,886	86
	1950	5,088	123	139,773	110
Feed, Animal and Poultry	1951	4,534	110	134,200	106
	1952	4,497	109	135,769	107
	1953	4,623	112	131,876	104
	1954	4,737	115	132,797	105
	1955	4,754	115	134,964	106
	1946	•	—	•	—
	1947	2,562	100	22,641	100
	1948	2,741	107	25,652	113
	1949	3,149	123	28,041	124
	1950	3,082	120	31,038	137
Containers, Metal	1951	4,061	159	39,425	174
	1952	3,892	152	38,117	168
	1953	3,978	155	40,899	181
	1954	4,642	181	46,510	205
	1955	4,961	194	48,382	214

• Not Reported Separately

Source:

Annual Reports to the Public Utility Commissioner of Oregon for the following Class I railroads:

Great Northern Railway Company

Northern Pacific Railway Company

Oregon Electric Railway Company

Oregon Trunk Railway Company

Spokane, Portland and Seattle Railway Company

Southern Pacific Company

Union Pacific Railroad Company

[fol. 562]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. DOCKET No. 31503
AND SUB. NOS.

Exhibit No. I-385

Witness:
Donald A. Haakenson

DOCKET No. 31503

TRANSCONTINENTAL DIVISIONS

STATEMENT

Witness:

Donald A. Haakenson,
Supervisor, Car Service,
Rail Transportation Department
Public Utility Commissioner of Oregon
218 Public Service Building
Salem, Oregon

Submitted on behalf of:

HOWARD MORGAN
Public Utility Commissioner
of Oregon, Intervenor, as
well as other
Petitioning Intervenor
Commissions.

[fol. 563] My name is Donald A. Haakenson. I am employed by the Public Utility Commissioner of Oregon as Supervisor, Car Service, in the Department of Rail Transportation. My business address is 218 Public Service Building, Salem, Oregon. I have been a member of the Public Utility Commissioner's Rail Transportation staff since March 1953. I graduated from Washington State College in 1950, with major studies being in transportation economics. I am admitted to practice before the Interstate Commerce Commission.

The Public Utility Commissioner of Oregon is seriously concerned with matters pertaining to the procurement and maintenance of railroad facilities adequate to meet present and future needs of Oregon's economy.

Shippers and receivers of rail freight in Oregon and the Mountain Pacific Territory are presently hampered by rail service inadequacies such as car shortages and congested, inefficient trackage. These problems, while of serious magnitude at the present time, will become even more inadequate with future economic growth. Therefore, the present and future public interest will not be served unless firm programs designed for alleviation of these problems are vigorously pursued by rail carriers serving this area.

The accompanying appendix consists of a series of schedules numbered 1 through 6.

—2—

[fol. 564] Schedule No. 1, page 1, of the appendix shows the box car shortage experienced by shippers of lumber and lumber products on the Portland Division of the Southern Pacific Company during the years 1950 through 1956. The figures are further broken down to four week periods. In addition to the shortage of box cars for lumber loading during this period, shippers of other commodities such as grain and seed also experienced severe shortages of equipment.

Oregon has a long car shortage history. It is interesting to note that in 1916 the Oregon Railroad Commission, as it was then known, issued its Order No. 141, which con-

tains reference to the history of Oregon car shortages, an excerpt from which reads as follows:

> "A severe car shortage in the years 1903, 1904, 1905 and 1906 was one of the causes which led to the creation of this Commission, and each year since the shippers on the lines of the Southern Pacific Co. in Oregon have experienced shortages in greater or less degree."

Even though some of our Western lines have relatively good car building records, such as the Southern Pacific Company fleet expansion of 9,416 cars from December 1950 to January 1957, the seven principal Mountain Pacific carriers frequently bear 40 percent and more of the total reported box car shortage on all Class I United States railroads.

Schedule No. 2, pages 2 and 3 of the appendix, shows

—3—

[fol. 565] daily average box car shortages as reported in the Association of American Railroads CS-44A report for the principal Mountain Pacific carriers, as well as the total box car shortages for all Class I United States roads. The total shortages for the seven principal Mountain Pacific carriers are compared as a percentage of total United States shortage.

Examination of page 2 shows that during the period May 13 through December 30, 1950, there were nine weeks in which from 40 to 49 percent of the total national, daily average shortage of box cars was borne by only seven carriers serving the Mountain Pacific area. There were also eleven weeks in 1950 in which from 30 to 39 percent of the total United States daily average shortage of box cars was experienced on the lines of these seven carriers.

Examination of page 3 of the appendix shows similar figures for the period May 1 through December 24, 1955. It will be noted that for twenty-one weeks during this period the shortage reported for the seven principal Mountain Pacific carriers ranged from 30 to 59 percent of the United States total.

Schedule No. 3, page 4, of the appendix shows that total carloads of the seven principal Mountain Pacific carriers, for the six year period 1950 through 1955, averaged 17 percent of the total United States car loadings during the same period.

—4—

[fol. 566] Schedule No. 4, pages 5, 6 and 7 of the appendix, shows that during the 1955 shortage season the total box cars on line for the same seven carriers never reached 100 percent of ownership. Actual percentages ranged between 85.2 and 96.9 percent. The total of all types of freight cars on line for these seven carriers also never reached 100 percent of ownership. Actual percentages ranged between 93.0 and 98.8 percent.

With only seven carriers accounting for as much as one-half the total United States shortage, it is apparent that present car supplies fall far short of requirements of the territory served by those carriers.

The shippers in this area are looking to the railroads for alleviation of the car shortage situation. Future industrial growth will place additional demands on an already inadequate car supply. These demands must be met if the full economic potential of the far western region is to be realized.

Rail facilities other than freight cars are also inadequate in Oregon at the present time. Schedule No. 5, page 8 of the appendix, shows carloads of revenue freight handled per mile of switching track operated by the principal carriers serving Oregon. These figures are set forth for the year 1940, and years 1951 through 1955. The same information for the total Class I United States carriers is also shown.

—5—

[fol. 567] Examination of schedule No. 5 shows that in 1955 the average number of carloads handled in Oregon per mile of switch track operated was 1,613. This is more than double the United States average of 760 carloads handled per mile of switch track operated in 1955. Schedule No. 5 further reveals that from 1940 to 1955 average

carloads handled per mile of switching track in Oregon increased by 471, whereas the average increase for total United States during the same period was 165.

The figures shown in Schedule 5 indicate that considerable expansion of switch trackage is needed in Oregon if congestion is to be alleviated in the interests of providing dependable and efficient service for our shippers and receivers of rail freight and as an aid to National Defense.

As examples of present train yard inadequacies, Schedule No. 6(A), page 9 of the appendix, compares the increase in cars handled and the increase in trackage, 1940 to 1956, for the Southern Pacific Company's Brooklyn and Roseburg yards.

Schedule 6(A) shows that only 1.8 miles of additional trackage has been constructed in Brooklyn yard since 1940, however freight cars handled per mile of yard track increased from 23,144 in 1940 to 35,977 in 1956, an increase of 12,833. Roseburg yard shows no additional track constructed during this time, whereas cars handled per mile

[fol. 568] of track increased from 2,976 in 1940 to 17,104 in 1956, an increase of 14,128 cars.

Schedule No. 6(B), page 9 of the appendix, shows the density of movement at Brooklyn yard for a period of ten days during each of the four seasons in 1954. This schedule shows that with a total track capacity of 1,003 cars, Brooklyn yard actually had a density of movement averaging 1,178 cars per 24 hour period.

Insufficient track room at Brooklyn yard has led to delays and reduced service. Due to inadequate trackage, trains are sometimes broken and made up on the main line. Store department tracks and bad order storage tracks in the service yard are regularly used to make up locals because of insufficient trackage for operating purposes in the main yard. Operations such as this result in double handling and time loss because made-up cars must be moved to the main yard for departure. Because of congestion there are presently no designated cleaning tracks where

industrial cars can be cleaned and upgraded to meet service requirements.

The Union Pacific's Albina yard at Portland has been extremely congested during the last several years. Albina yard is subjected to very heavy seasonal pressure usually occurring during the grain harvest season. It is not unusual, during these periods, for as many as 2000 cars of

—7—

[fol. 569] grain to be under load at this point awaiting terminal storage or export movement. Insufficient trackage to handle the traffic dependent on this yard has prompted Union Pacific to undertake remodeling and expansion of its Albina facilities, which will increase its capacity by 1,240 cars. Our Western carriers' ability to pursue such programs of modernization and expansion must not be jeopardized if needs of the shipping public are to be met.

There are other facilities on our Western roads that need reconstruction and expansion in order to eliminate present train movement delays. As an example of this the Southern Pacific Company has 13 bridges on its line between Corvallis and Toledo, Oregon, which must be reconstructed to allow passage of heavier motive units. This is necessary to eliminate "doubling-back" to take small sections of train up the 5-mile steep grade that lies between the bridges. Each "double-back" takes approximately one hour to complete. With an average of 2 "double-backs" per train, each train out of Toledo, Oregon, is delayed approximately 2 hours due to lack of sufficient bridge strength.

The Southern Pacific Company informs us it has plans to begin the needed reconstruction of these bridges in the near future in order to expeditiously handle the growing

—8—

[fol. 570] volume of traffic to and from the Toledo area.

The public interest dictates that revenues of railroads serving Oregon and Mountain Pacific territory not be depleted and remain sufficient to permit our carriers, not only to maintain present service levels, but also to engage in programs designed to remedy existing service inadequacies and meet additional requirements inherent in future economic development.

—9—

[fol. 571]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket No. 31503 And Sub Numbers

Appendix AI-386

I.C.C. Docket No. 31503

Transcontinental Divisions

Witness:

Donald A. Haakenson, Supervisor, Car Service
Rail Transportation Department
Public Utility Commissioner of Oregon
218 Public Service Building
Salem, Oregon

Submitted on Behalf of:

HOWARD MORGAN
Public Utility Commissioner of Oregon,
Intervener,
As Well As
Other Petitioning Intervener Commissions

SCHEDULE NO. 1: BOX CAR SHORTAGE FOR LUMBER AND LUMBER PRODUCTS PORTLAND DIVISION, SOUTHERN PACIFIC COMPANY, YEARS 1950, 1951, 1952, 1953, 1954, 1955 and 1956

Period 4 weeks ending:	Box Cars Ordered	Box Cars Furnished	Box Cars Short
June 12, 1950	14,783	10,623	4,160
July 10, 1950	14,845	9,824	5,021
August 7, 1950	15,737	9,418	6,319
September 4, 1950	19,251	6,624	12,627
October 2, 1950	18,516	7,502	11,014
October 30, 1950	16,877	8,706	8,171
February 5, 1951	9,134	6,951	2,183
March 5, 1951	14,707	7,436	7,271
April 2, 1951	15,400	10,829	4,571
April 30, 1951	14,735	12,627	2,108
September 3, 1951	15,276	14,855	421
October 1, 1951	11,808	9,902	1,906
October 29, 1951	12,794	11,422	1,372
July 31, 1952	14,437	13,759	678
August 31, 1952	16,095	13,884	2,211
August 31, 1953	11,280	10,348	932
September 30, 1953	17,148	12,252	4,896
May 31, 1954	17,683	15,673	2,020
August 31, 1954	15,842	14,626	1,220
September 30, 1954	17,385	16,980	405
February 28, 1955	15,005	14,462	543
March 31, 1955	17,219	16,756	463
April 30, 1955	16,552	16,220	332
May 31, 1955	17,845	15,562	2,283
June 30, 1955	20,360	15,887	4,473
August 23, 1955	13,821	10,824	2,997
September 19, 1955	17,218	11,937	5,281
October 17, 1955	19,849	9,906	9,943
November 14, 1955	17,949	11,682	6,267
February 29, 1956	12,865	12,398	467
March 28, 1956	14,316	13,492	824
October 1, 1956	13,409	12,971	438
October 28, 1956	14,082	11,689	2,393

SOURCE: Southern Pacific Co. R-642 Record

SCHEDULE NO. 2: COMPARISON OF DAILY AVERAGE BOX CAR SHORTAGE -- PRINCIPAL MOUNTAIN PACIFIC CARRIERS WITH TOTAL UNITED STATES, FOR SHORTAGE PERIODS 1950 and 1955.

Year - 1950, Week Ending:	Total Shortage All Class I U.S. Roads	PRINCIPAL MOUNTAIN PACIFIC CARRIERS							TOTAL SHORTAGE	
		CMST.P&P.	Great Northern	Northern Pacific	A.T.& S.F.	Southern Pacific	Union Pacific	Western Pacific	Principal Mt. Pac. Lines	Percent of National Shortage
May 20	2,863	60	-	200	-	97	57	10	424	15%
May 27	3,760	106	-	200	21	153	27	10	517	14
June 3	4,278	90	-	200	-	369	15	15	689	16
June 10	4,279	200	-	200	103	479	56	20	1,058	25
June 17	6,543	382	-	200	585	634	255	30	2,086	32
June 24	8,281	475	-	200	890	660	644	35	2,904	35
July 1	10,590	545	-	500	1,163	725	1,526	-	4,459	42
July 8	10,714	450	110	500	1,178	681	1,761	-	4,680	44
July 15	14,224	352	395	500	1,192	564	1,450	60	4,513	32
July 22	15,663	547	535	650	917	778	1,771	50	5,248	34
July 29	18,225	851	548	775	1,098	894	1,858	40	6,064	33
August 5	21,181	1,168	692	775	1,222	1,108	1,923	-	6,888	33
August 12	22,225	1,306	804	1,223	1,276	1,260	1,948	30	7,818	35
August 19	22,114	1,523	955	1,340	1,294	1,475	1,960	40	8,585	39
August 26	21,863	1,628	1,107	1,400	1,351	1,791	1,876	60	9,213	42
September 2	20,925	1,527	1,585	1,250	1,259	1,872	1,716	90	9,299	44
September 9	20,068	1,711	2,276	1,200	1,025	1,945	1,652	100	9,909	49
September 16	18,801	1,271	2,410	1,150	922	1,794	1,601	145	9,293	49
September 23	18,758	866	2,351	1,175	1,020	1,858	1,274	200	8,744	47
September 30	18,667	515	2,188	1,125	1,145	2,007	1,123	266	8,369	45
October 7	19,421	501	1,815	1,050	1,311	1,913	951	257	7,798	40
October 14	20,131	451	1,881	750	1,484	1,725	723	315	7,329	36
October 21	20,161	380	1,729	550	1,687	1,666	553	289	6,854	34
October 28	18,766	295	963	450	1,785	1,451	451	276	5,671	30
November 4	18,092	165	928	300	1,731	1,047	592	187	4,950	27
November 11	15,689	120	718	250	1,837	295	698	21	3,939	25
November 18	12,342	50	390	-	1,864	15	575	-	2,894	23
November 25	9,228	45	-	-	1,788	-	582	-	2,415	26
December 2	6,873	50	-	-	1,394	-	553	-	1,995	29
December 9	7,428	75	-	-	557	-	717	-	1,349	18
December 16	9,137	210	33	125	265	-	1,006	-	1,639	18
December 23	11,940	250	90	175	150	32	1,545	-	2,242	19
December 30	9,612	300	197	200	-	43	1,550	10	2,300	24

SOURCE: Association of American Railroads C.S. - 44A Report - "Revenue Freight Car Surplus and Shortage."

SCHEDULE NO. 2 (Continued)

Year - 1955 Week Ending:	Total Shortage All Class I U. S. Roads	PRINCIPAL MOUNTAIN PACIFIC CARRIERS							TOTAL SHORTAGE	
		CMST.P&P.	Great Northern	Northern Pacific	A.T. & S.F.	Southern Pacific	Union Pacific	Western Pacific	Principal Mt. Pac. Lines	Percent of National Shortage
May 7	3,581	165	-	125	60	-	127	-	477	13%
May 14	3,838	165	74	230	50	-	146	-	665	17
May 21	3,[illegible]	155	203	250	-	-	119	30	757	21
May 28	4,[illegible]	140	305	280	-	435	159	40	1,359	31
June 4	5,557	105	370	280	281	1,017	231	60	2,344	42
June 11	5,755	105	445	320	483	853	296	60	2,562	45
June 18	5,974	120	454	350	567	604	279	40	2,414	40
June 25	7,126	120	480	365	601	622	631	20	2,839	40
July 2	9,045	120	495	350	600	649	946	20	3,180	35
July 9	11,006	170	410	300	557	-	1,140	10	2,587	24
July 16	11,356	270	345	320	161	-	970	10	2,076	18
July 23	11,600	470	385	375	64	-	676	30	2,000	17
July 30	11,114	615	410	415	-	-	360	30	1,830	17
August 6	9,871	615	515	675	86	25	300	40	2,256	23
August 13	8,319	500	529	825	104	47	281	40	2,326	28
August 20	7,281	490	552	865	124	115	365	40	2,551	35
August 27	6,529	280	556	560	109	329	366	40	2,240	34
September 3	5,901	180	560	375	131	440	377	40	2,103	36
September 10	6,234	120	592	295	254	702	295	50	2,308	37
September 17	7,205	60	590	250	560	983	132	50	2,625	36
September 24	9,854	60	584	250	635	942	175	60	2,706	28
October 1	10,626	70	612	250	744	1,080	333	60	3,149	30
October 8	11,956	120	687	380	723	1,122	483	60	3,575	30
October 15	11,349	130	689	440	760	1,157	586	60	3,822	34
October 22	11,636	120	691	475	825	1,174	472	50	3,807	33
October 29	12,507	120	767	475	805	1,124	408	30	3,727	30
November 5	11,684	80	787	500	990	1,103	237	15	3,712	32
November 12	9,891	110	777	530	810	748	207	-	3,182	32
November 19	7,020	55	661	500	659	-	101	-	1,976	28
November 26	7,213	55	3,307	435	365	-	90	-	4,252	59
December 3	3,155	55	1,035	250	31	-	163	-	1,534	49
December 10	1,212	55	-	90	-	-	208	-	353	29
December 17	1,242	55	-	40	-	-	251	-	346	28
December 24	1,053	40	-	37	-	-	270	-	347	33

SOURCE: Association of American Railroads, C.S. 44-A Report "Revenue Freight Car Surplus & Shortage."

SCHEDULE NO. 3: COMPARISON OF NUMBERS OF FREIGHT CARS LOADED ON PRINCIPAL MOUNTAIN PACIFIC ROADS, WITH TOTAL CARS LOADED ON ALL UNITED STATES CLASS I CARRIERS, FOR YEARS 1950 THROUGH 1955.

Year	Total Cars Loaded All U.S. Class I Carriers	PRINCIPAL MOUNTAIN PACIFIC CARRIERS							Total Loadings Pr.Mt.Pac.Lines	Percent of Total U.S. Car Loadings
		CMST.P&P	Great Northern	Northern Pacific	A.T.& S.F.	Southern Pacific	Union Pacific	Western Pacific		
1950	38,877,083	1,021,157	901,791	538,099	1,213,692	1,531,910	911,275	79,904	6,197,828	16%
1951	40,500,199	993,444	1,015,215	552,271	1,267,526	1,579,714	989,796	86,202	6,484,168	16%
1952	37,985,155	981,535	973,815	529,934	1,281,155	1,593,328	925,029	81,642	6,366,438	17%
1953	38,302,762	937,419	1,056,702	501,490	1,210,997	1,608,636	926,527	80,424	6,322,195	17%
1954	33,913,285	878,229	907,872	495,285	1,157,307	1,517,744	893,593	73,739	5,923,769	18%
1955	37,890,088	908,034	1,041,825	564,857	1,252,048	1,621,185	937,838	83,638	6,409,425	17%
6 yr. total	227,468,572								37,703,823	17%
6 yr. av.	37,911,428								6,283,971	17%

SOURCE: Summary of Association of American Railroads, Weekly CS-54A Reports.

SCHEDULE NO. 4:

CAR OWNERSHIP, NUMBERS ON LINE, AND PERCENTAGES OF OWNERSHIP ON LINE DURING 1955 SHORTAGE SEASON FOR PRINCIPAL MOUNTAIN PACIFIC RAIL CARRIERS

	MAY 15			JUNE 1			JUNE 15			JULY 1		
Plain Box Cars	Ownership	On Line	Percent	Ownership	On Line	Percent	Ownership	On Line	Percent	Ownership	On Line	Percent
C.M.St.P.& P.	27,503	26,317	95.7	27,471	27,876	101.5	27,463	27,408	99.8	27,460	26,651	97.1
Great Northern	20,617	17,090	82.9	20,825	16,486	79.2	20,825	17,243	82.8	21,022	17,960	85.4
Northern Pacific	19,433	13,866	71.4	19,422	14,619	75.3	19,410	16,071	82.8	19,406	16,315	84.1
A.T. & S. F.	33,743	27,810	82.4	34,093	28,853	84.6	34,093	31,161	91.4	34,142	33,587	98.4
Southern Pacific	29,115	26,042	89.4	28,970	22,410	77.4	28,970	25,326	87.4	29,081	27,490	94.5
Union Pacific	24,315	26,922	110.7	24,343	26,083	107.1	24,343	26,081	107.1	24,476	25,448	104.0
Western Pacific	2,206	1,907	86.4	2,185	2,337	107.0	2,185	2,323	106.3	2,302	2,637	114.6
AVERAGE			88.4%			90.3%			93.9%			96.9%
All Type Cars												
C.M.St.P. & P.	54,268	50,927	93.8	54,208	52,892	97.6	54,118	51,826	95.8	54,042	51,321	95.0
Great Northern	37,948	36,161	95.3	38,146	35,978	94.3	38,146	36,955	96.9	38,339	37,764	98.5
Northern Pacific	36,594	30,710	83.9	36,540	31,958	87.5	36,498	33,159	90.9	36,485	32,755	89.8
A.T. & S.F.	82,974	72,661	87.6	83,755	74,888	89.4	83,695	78,863	94.2	83,940	80,025	95.3
Southern Pacific	59,725	60,860	101.9	59,949	57,660	96.2	59,949	61,606	102.8	60,055	61,520	102.4
Union Pacific	51,131	55,616	108.8	51,000	55,054	107.9	51,000	56,284	110.4	50,865	55,153	108.4
Western Pacific	5,268	4,670	88.6	5,244	5,225	99.6	5,244	4,956	94.5	5,417	5,538	102.2
AVERAGE			94.3%			96.1%			97.7%			98.6%

SOURCE: Association of American Railroads C.S. 8A Report

SCHEDULE NO. 4: (continued)

Plain Box Cars	JULY 15 Ownership	JULY 15 On Line	JULY 15 Percent	AUGUST 1 Ownership	AUGUST 1 On Line	AUGUST 1 Percent	AUGUST 15 Ownership	AUGUST 15 On Line	AUGUST 15 Percent	SEPTEMBER 1 Ownership	SEPTEMBER 1 On Line	SEPTEMBER 1 Percent
C.M.St.P. & P.	27,430	26,309	95.9	27,426	25,531	93.1	27,411	27,086	98.8	27,432	27,263	99.4
Great Northern	21,022	16,430	78.2	20,943	16,608	79.3	20,943	16,955	81.0	21,112	19,831	93.9
Northern Pacific	19,430	15,293	78.7	19,482	14,517	74.5	19,517	15,789	80.9	19,572	18,818	96.1
A.T. & S.F.	34,142	35,229	103.2	34,159	32,800	96.0	34,161	29,800	87.2	34,151	29,608	86.7
Southern Pacific	29,081	26,648	91.6	29,291	26,069	89.0	29,291	26,053	88.9	29,601	24,959	84.3
Union Pacific	24,444	25,509	104.4	24,478	25,517	104.2	24,487	25,839	105.5	24,496	25,038	102.2
Western Pacific	2,302	1,967	85.4	2,336	1,929	82.6	2,336	1,991	85.2	2,335	2,495	106.9
AVERAGE			91.1%			88.4%			89.6%			95.6%
All Type Cars												
C.M.St.P.& P.	53,943	50,891	94.3	53,838	50,405	93.6	53,697	51,369	95.7	53,644	51,831	96.6
Great Northern	38,339	35,846	93.5	38,270	36,648	95.8	38,270	37,328	97.5	38,437	38,806	101.0
Northern Pacific	36,485	31,374	86.0	36,531	31,013	84.9	36,536	32,740	89.6	36,578	35,665	97.5
A.T. & S.F.	83,881	82,865	98.8	83,951	78,813	93.9	83,990	76,131	90.6	83,844	75,179	89.7
Southern Pacific	60,055	62,005	103.2	60,319	62,233	103.2	60,319	60,997	101.1	60,763	57,554	94.7
Union Pacific	50,872	55,120	108.4	50,795	54,424	107.1	50,776	56,477	111.2	50,685	53,889	106.3
Western Pacific	5,417	4,537	83.8	5,354	4,572	85.4	5,354	4,506	84.2	5,385	4,923	91.4
AVERAGE			95.4%			94.8%			95.7%			96.7%

SOURCE: Association of American Railroads C.S. 8A Report.

SCHEDULE NO. 4: (Continued)

	SEPTEMBER 15			OCTOBER 1			OCTOBER 15			NOVEMBER 1			NOVEMBER 15		
Plain Box Cars	Ownership	On Line	Percent	Ownership	On Line	Percent	Ownership	On Line	Percent	Ownership	On Line	Percent	Ownership	On Line	Percent
C.M.St.P. & P.	27,418	28,218	102.9	27,406	27,378	99.9	27,406	25,891	94.5	27,384	26,197	95.7	27,364	25,248	92.3
Great Northern	21,112	20,356	96.4	21,299	19,056	89.5	21,299	17,237	80.9	21,203	15,012	70.8	21,203	16,587	78.2
Northern Pacific	19,619	18,053	92.0	19,681	17,518	89.0	19,695	15,205	77.2	19,737	14,036	71.1	19,714	13,128	66.6
A.T. & S.F.	34,148	26,507	77.6	34,161	27,582	80.7	34,161	28,395	83.1	34,167	27,913	81.7	34,167	29,103	85.2
Southern Pacific	29,601	22,051	74.5	29,813	21,183	71.1	29,813	20,851	69.9	29,905	20,980	70.2	29,905	23,205	77.6
Union Pacific	24,480	24,668	100.8	24,468	23,597	96.4	24,398	24,557	100.7	24,363	23,183	95.2	24,343	23,960	98.4
Western Pacific	2,335	2,092	89.6	2,373	2,368	99.8	2,373	2,390	100.7	2,360	2,643	112.0	2,360	2,529	107.2
AVERAGE			90.5%			89.5%			86.7%			85.2%			86.5%
All Type Cars															
C.M.St.P. & P.	53,594	53,757	100.3	53,559	52,675	98.3	53,559	50,960	95.1	53,510	50,751	94.8	53,476	49,626	92.8
Great Northern	38,437	39,474	102.7	38,611	38,349	99.3	38,611	36,697	95.0	38,539	34,873	90.5	38,539	35,740	92.7
Northern Pacific	36,609	34,498	94.2	36,686	33,335	90.9	36,718	30,834	84.0	36,702	30,099	82.0	36,659	29,274	79.9
A.T. & S.F.	83,772	72,064	86.0	83,826	73,840	88.1	83,715	73,839	88.2	83,944	74,024	88.2	83,917	75,149	89.6
Southern Pacific	60,763	54,015	88.9	60,938	53,593	87.9	60,938	54,369	89.2	60,997	55,490	91.0	60,997	60,429	99.1
Union Pacific	50,687	54,257	107.1	50,626	52,216	103.1	50,580	54,613	108.0	50,557	52,517	103.9	50,593	54,160	107.1
Western Pacific	5,385	4,656	86.5	5,471	5,196	95.0	5,471	4,992	91.2	5,442	5,474	100.6	5,442	5,515	101.3
AVERAGE			95.1%			94.7%			93.0%			93.0%			94.6%

SOURCE: Association of American Railroads C.S. 8A Reports.

[fol. 579]

Page 8

SCHEDULE NO. 5: CARLOADS OF REVENUE FREIGHT HANDLED PER MILE OF SWITCHING TRACK * OPERATED IN OREGON BY PRINCIPAL CARRIERS SERVING OREGON, and TOTAL UNITED STATES CARLOADS HANDLED PER MILE OF SWITCHING TRACK OPERATED.

	1940	1951	1952	1953	1954	1955	Increase Since 1940 in Carloads Handled Per Mile of Switching Track
GREAT NORTHERN:							
Miles Switching Tracks	93	125	125	127	128	128	
Carloads Handled	71,843	130,030	128,091	129,918	121,912	138,346	
Carloads Per Mile	773	1,040	1,025	1,023	1,952	1,080	307
NORTHERN PACIFIC							
Miles Switching Tracks	20	30	30	30	31	31	
Carloads Handled	54,850	98,533	98,874	99,357	92,775	103,233	
Carloads Per Mile	2,742	3,284	3,296	3,312	2,993	3,330	588
SPOKANE, PORTLAND & SEATTLE:							
Miles Switching Tracks	51	76	76	77	79	79	
Carloads Handled	81,725	122,527	122,542	122,038	117,719	131,758	
Carloads Per Mile	1,602	1,612	1,612	1,585	1,490	1,668	66
SOUTHERN PACIFIC:							
Miles Switching Tracks	280	333	338	341	340	345	
Carloads Handled	324,231	557,974	561,622	576,114	555,067	614,501	
Carloads Per Mile	1,158	1,676	1,662	1,690	1,633	1,781	623
UNION PACIFIC:							
Miles Switching Tracks	174	234	234	235	236	241	
Carloads Handled	173,681	315,710	313,918	313,999	314,497	341,624	
Carloads Per Mile	998	1,349	1,342	1,336	1,333	1,418	420
TOTAL FIVE LINES:							
Miles Switching Tracks	618	798	803	810	814	824	
Carloads Handled	706,330	1,224,774	1,225,047	1,241,426	1,201,970	1,329,462	
Carloads Per Mile	1,142	1,535	1,526	1,532	1,477	1,613	471
ALL CLASS I U.S. CARRIERS:							
Miles Switching Tracks	86,145	87,128	87,161	87,268	87,252	87,121	
Carloads Handled	51,240,099	70,558,689	66,819,698	66,753,937	59,750,551	66,194,994	
Carloads Per Mile	595	810	767	765	685	760	165

* Both Way and Yard

SOURCE: Annual Reports as filed with the Public Utilities Commissioner [illegible]

SCHEDULE NO. 6 (A): TOTAL FREIGHT CARS HANDLED * AND TOTAL YARD TRACKAGE ** -SOUTHERN PACIFIC COMPANY'S BROOKLYN AND ROSEBURG TRAIN YARDS FOR THE YEARS 1940 and 1956

	1940			1956			Increase since 1940 — Cars handled per mile of Yard Track
	Miles of Yard Track	Cars Handled	Cars Handled Per Mile of Yard Track	Miles of Yard Track	Cars Handled	Cars Handled Per Mile of Yard Track	
Brooklyn Yard	11.8	273,104	23,144	13.6	489,281	35,977	12,833
Roseburg Yard	4.0	11,902	2,976	4.0	68,416	17,104	14,128

SCHEDULE NO. 6 (B): DENSITY OF MOVEMENT AT BROOKLYN YARD WITHIN TEN DAY PERIODS DURING DIFFERENT SEASONS OF YEAR, 1954

Year, 1954 Period:	Inbound		Outbound		Grand Total	
	Total Trains	Total Cars	Total Trains	Total Cars	Trains	Cars
Jan. 27 to Feb. 5	101	5,451	106	5,786	207	11,237
April 26 to May 5	114	5,776	114	6,227	228	12,003
July 27 to Aug. 5	110	5,827	106	5,897	216	11,724
Oct. 26 to Nov. 4	118	5,839	120	6,322	238	12,161
				Average Per ten day Period		11,781
				Average Per 24-hr. Period		1,178

Operational Trackage Capacities - Brooklyn Yard

Yard	No. of Tracks	Car Capacity
Receiving	1	120
South	18	522
North	8	186
Storage	9	175
Total Car Capacity ---		1,003

* Source - S.P.Co. Form C.S. - 2205
** Source - S.P.Co. Engineering Department

[fol. 581] BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket 31503 and Sub Nos.

Exhibit T-387

Page 1 of 2

During the cross-examination of witnesses for the Mountain-Pacific lines, a number of requests for information have been made by counsel for the Eastern and Midwestern roads. Attached hereto are separate Appendices, each responding to a particular request for information, as follows:

Appendix	Witness	Transcript Reference to Request	Subject
A	Baumgartner	3896-97	Monthly main line traffic volume, Westbound
B	Baumgartner	3930-31	Train tonnage data
C	Ulyatt	3922	Train tonnage data
D	Moody	3989	Diesel units by type of service and manufacturer
E	Nelson	3675-78, 3680	Reconciliation of traffic statistics
F	Stilling	3579-84	Effect of Class Rate adjustment on Distribution of Revenue of Former Combination Rates
G	Stilling	3592-95	Change of Base in Computing Inflation of Docket 30660 Class Rates over Docket 30416 Class Rates

Appendix	Witness	Transcript Reference to Request	Subject
H	Edwards	3666-67	Breakdown of $800 million increase in net investment of Mountain-Pacific roads, 1951-1955

[fol. 582]

Appendix G

Tr. 3592-95—Witness Stilling

Request for information concerning the "base" used in Appendix C of Witness Stilling's Exhibit T-335.

The purpose of the computation is to determine the percentage by which the Transcontinental Class Rates prescribed in Docket 30660 exceed the Docket 28300 Appendix 18 Class Rates for the hauls in Mountain-Pacific Territory. The first step in this determination is to calculate the percentage by which the Docket 30660 rate exceeds the Docket 28300 rate for the entire haul.

This percentage is computed by taking the difference between the prescribed Docket 30660 rate and what the Docket 28300 Appendix 18 scale would produce for a particular haul. This difference is then divided by the Docket 28300 Appendix 18 rate as a "base" to obtain the percentage "inflation" for the entire haul. The difference is shown in Column 5 of Appendix C of Exhibit T-335. As originally introduced, the "base" inadvertently used in Appendix C of Exhibit T-335 was the Docket 30660 rate (column 4). The "base" should be the Docket 28300 Appendix 18 rate (column 3), since the purpose of the calculation is to determine the percentage difference, or "inflation," of the prescribed Docket 30660 rate over the Docket 28300 Appendix 18 rate.

Recalculation of Appendix C of Exhibit T-335 on the correct basis is attached. The net effect of this recalculation is to change the average percentage inflation for the haul within Mountain-Pacific territory of the prescribed Docket 30660 rates over the Docket 28300 rates from 29.48 to 31.14% (page 6, Column 9, last line).

Docket 31503 and Sub Nos.
Witness: A. J. Stilling
Exhibit T-335, Appendix C,
REVISED

Appendix C Page 1

Rates include all increases through Ex Parte 196

COLUMN	1	2	3	4	5	6	7	8	9
LINE	BETWEEN CHICAGO, ILL. AND	Short Line Miles	Appendix 18 Class 100 Rate	Prescribed Class 100 Rate	Difference Col. 4 Minus Col. 3	Short Line Miles in Mt.-Pac. Territory	Percentage by which Col. 4 exceeds Col.3 (Col. 5 ÷ Col. 3)	Ratio distance in Col. 2 to distance in Col. 6	Inflation in prescribed rate in Col. 4 for distance in Col. 6 (Col. 7 x Col. 8)
1.	Seattle, Wash.	2091	689	829	140	1141	20.3	1.833	37.21
2	San Francisco, Calif.	2230	725	829	104	1260	14.3	1.770	25.31
3	Los Angeles, Calif.	2176	713	829	116	866	16.3	2.513	40.96
4	Spokane, Wash.	1796	616	731	115	846	18.7	2.123	39.70
5	Sacramento, Calif.	2144	701	829	128	1174	18.3	1.826	33.42
6	Bakersfield, Calif.	2176	713	829	116	866	16.3	2.513	40.96
7	Las Vegas, Nev.	1934	652	731	79	924	12.1	2.093	25.33
8	Butte, Mont.	1457	536	623	87	507	16.2	2.874	46.56
9	Salt Lake City, Utah	1489	543	605	62	519	11.4	2.869	32.71
10	Phoenix, Ariz.	1804	622	690	68	397	10.9	4.544	49.53
11	Average	1930	651(1)	753	102	850	15.7	2.271	35.65

(1) Appendix 18 rate for average miles.

[fol. 584]

Docket 31503 and Sub Nos.
Witness: A. J. Stilling
Exhibit T-335, Appendix C,
REVISED

Appendix C Page 2

Rates include all increases through Ex Parte 196

COLUMN	1	2	3	4	5	6	7	8	9
LINE	BETWEEN ST. LOUIS, MO. AND	Short Line Miles	Appendix 18 Class 100 Rate	Prescribed Class 100 Rate	Difference Col. 4 Minus Col. 3	Short Line Miles in Mt.-Pac. Territory	Percentage by which Col. 4 exceeds Col. 3 (Col. 5 ÷ Col. 3)	Ratio distance in Col. 2 to distance in Col. 6	Inflation in prescribed rate in Col. 4 for distance in Col. 6 (Col. 7 x Col. 8)
1	Seattle, Wash.	2161	707	787	80	1141	11.3	1.894	21.40
2	San Francisco, Calif.	2150	701	787	86	1260	12.3	1.706	20.98
3	Los Angeles, Calif.	1991	665	787	122	866	18.3	2.300	42.07
4	Spokane, Wash.	1866	634	695	61	846	9.6	2.206	21.18
5	Sacramento, Calif.	2064	683	787	104	1174	15.2	1.758	26.72
6	Bakersfield, Calif.	1991	665	787	122	866	18.3	2.300	42.07
7	Las Vegas, Nev.	1823	622	695	73	924	11.7	1.973	23.08
8	Butte, Mont.	1524	549	633	84	480	15.3	3.175	48.58
9	Salt Lake City, Utah	1409	525	586	61	519	11.6	2.715	32.76
10	Phoenix, Ariz.	1619	573	645	72	397	12.6	4.078	57.34
11	Average	1860	632(1)	719	87	847	13.8	2.196	30.30

(1) Appendix 18 rate for average miles.

MOUNTAIN-PACIFIC GROUP RAILROADS

INCREASE IN INVESTMENT IN PROPERTY USED IN TRANSPORTATION SERVICE
Years 1951 through 1955

Consist: AT&SF, C&S, C&W, CMStP&P, D&RGW, GN, NP, NWP, SN, SP, SI, SP&S, UTAH, UP, WP

Account	Gross Additions and Betterments	Credits for Property Retired	Increase in Investment in Property Used in Transportation Service (Col. 2 - Col. 3)
(1)	(2)	(3)	(4)
(1) Engineering	$ 8,359,624	$ 3,145,256	$ 5,214,368
(2) Land for transportation purposes	11,779,776	7,354,659	4,425,117
(24) Other right-of-way expenditures	496,129	25,229	470,900
(3) Grading	57,511,965	15,473,697	42,038,268
(4) Underground power tubes			
(5) Tunnels and subways	5,955,542	1,352,313	4,603,229
(6) Bridges, trestles, and culverts	46,700,785	12,296,315	34,404,470
(7) Elevated structures		9,097	(9,097)
(8) Ties	21,938,932	6,955,468	14,983,464
(9) Rails	39,001,005	10,354,989	28,646,016
(10) Other track material	57,915,912	7,761,034	50,154,878
(11) Ballast	14,138,449	3,799,446	10,339,003
(12) Track laying and surfacing	27,168,757	5,496,173	21,672,584
(13) Fences, snowsheds, and signs	2,317,336	1,098,180	1,219,156
(15) Crossings and signs	(545,553)	430,298	(975,851)
(16) Station and office buildings	32,679,464	9,974,072	22,705,392
(17) Roadway buildings	5,947,767	2,475,933	3,471,834
(18) Water stations	2,790,251	20,961,829	(18,171,578)
(19) Fuel stations	4,145,246	8,377,983	(4,232,737)
(20) Shops and enginehouses	30,984,163	14,216,071	16,768,092
(21) Grain elevators			
(22) Storage warehouses	(3,166)	13,970	(17,136)
(23) Wharves and docks	868,712	496,231	372,481
(24) Coal and ore wharves	986,744	129,179	857,565
(26) Communication systems	10,199,770	796,750	9,403,020
(27) Signals and interlockers	62,055,323	9,872,905	52,182,418
(29) Power plants	727,019	534,373	192,646
(31) Power-transmission systems	3,607,255	1,100,548	2,506,707
(35) Miscellaneous structures	782,474	640,396	142,078
(37) Roadway machines	13,561,458	2,725,593	10,835,865
(38) Roadway small tools	58,417	131,376	(72,959)
(39) Public improvements - Construction	9,815,116	1,393,158	8,421,958
(40) Revenue and operating expenses during construction	37,912	(994)	38,906
(41) Cost of road purchased			
(42) Reconstruction of road property acquired			
(43) Other expenditures - Road	2,768	474	2,294
(44) Shop machinery	18,862,824	11,644,408	7,218,416
(45) Power-plant machinery	2,451,402	1,689,102	762,300
(47) Unapplied construction material and supplies	771,336		771,336
Total expenditures for road	494,070,914	162,725,511	331,345,403
(51) Steam locomotives	7,995,191	221,939,249	(213,944,058)
(52) Other locomotives	502,508,912	28,474,587	474,034,325
(53) Freight-train cars	433,629,453	116,639,535	316,989,918
(54) Passenger-train cars	87,381,459	35,050,751	52,330,708
(56) Floating equipment	89,997	981,097	(891,100)
(57) Work equipment	23,466,799	8,776,245	14,690,554
(58) Miscellaneous equipment	8,044,429	2,829,693	5,214,736
(59) Unapplied materials and supplies - Equipment	(1,946,074)		(1,946,074)
Total expenditures for equipment	1,061,170,166	414,691,157	646,479,009
(71) Organization expenses	80,574	270	80,304
(72) General officers and clerks	121,668	298,007	(176,339)
(73) Law	56,502	194,625	(138,123)
(74) Stationery and printing	8,264	22,923	(14,659)
(75) Taxes	32,394	106,242	(73,848)
(76) Interest during construction	987,441	5,057,953	(4,070,512)
(77) Other expenditures - General	26,526	77,232	(50,706)
Total general expenditures	1,313,369	5,757,252	(4,443,883)
Total	1,556,554,449	583,173,920	973,380,529
Amounts charged to Accounts	-	-	-

[fol. 585]

(1) Engineering	$ 8,359,624	$ 3,145,256	$ 5,214,368
(2) Land for transportation purposes	11,779,776	7,354,659	4,425,117
(24) Other right-of-way expenditures	496,129	25,229	470,900
(3) Grading	57,511,965	15,473,697	42,038,268
(4) Underground power tubes			
(5) Tunnels and subways	5,955,542	1,352,313	4,603,229
(6) Bridges, trestles, and culverts	46,700,785	12,296,315	34,404,470
(7) Elevated structures		9,097	(9,097)
(8) Ties	21,938,932	6,955,468	14,983,464
(9) Rails	39,001,005	10,354,989	28,646,016
(10) Other track material	57,915,912	7,761,034	50,154,878
(11) Ballast	14,138,449	3,799,446	10,339,003
(12) Track laying and surfacing	27,168,757	5,496,173	21,672,584
(13) Fences, snowsheds, and signs	2,317,336	1,098,180	1,219,156
(15) Crossings and signs	(545,553)	430,298	(975,851)
(16) Station and office buildings	32,679,464	9,974,072	22,705,392
(17) Roadway buildings	5,947,767	2,475,933	3,471,834
(18) Water stations	2,790,251	20,961,829	(18,171,578)
(19) Fuel stations	4,145,246	8,377,983	(4,232,737)
(20) Shops and enginehouses	30,984,163	14,216,071	16,768,092
(21) Grain elevators			
(22) Storage warehouses	(3,166)	13,970	(17,136)
(23) Wharves and docks	868,712	496,231	372,481
(24) Coal and ore wharves	986,744	129,179	857,565
(26) Communication systems	10,199,770	796,750	9,403,020
(27) Signals and interlockers	62,055,323	9,872,905	52,182,418
(29) Power plants	727,019	534,373	192,646
(31) Power-transmission systems	3,607,255	1,100,548	2,506,707
(35) Miscellaneous structures	782,474	640,396	142,078
(37) Roadway machines	13,561,458	2,725,593	10,835,865
(38) Roadway small tools	58,417	131,376	(72,959)
(39) Public improvements - Construction	9,815,116	1,393,158	8,421,958
(40) Revenue and operating expenses during construction	37,912	(994)	38,906
(41) Cost of road purchased			
(42) Reconstruction of road property acquired			
(43) Other expenditures - Road	2,768	474	2,294
(44) Shop machinery	18,862,824	11,644,408	7,218,416
(45) Power-plant machinery	2,451,402	1,689,102	762,300
(47) Unapplied construction material and supplies	771,336		771,336
Total expenditures for road	494,070,914	162,725,511	331,345,403
(51) Steam locomotives	7,995,191	221,939,249	(213,944,058)
(52) Other locomotives	502,508,912	28,474,587	474,034,325
(53) Freight-train cars	433,629,453	116,639,535	316,989,918
(54) Passenger-train cars	87,381,459	35,050,751	52,330,708
(56) Floating equipment	89,997	981,097	(891,100)
(57) Work equipment	23,466,799	8,776,245	14,690,554
(58) Miscellaneous equipment	8,044,429	2,829,693	5,214,736
(59) Unapplied materials and supplies - Equipment	(1,946,074)		(1,946,074)
Total expenditures for equipment	1,061,170,166	414,691,157	646,479,009
(71) Organization expenses	80,574	270	80,304
(72) General officers and clerks	121,668	298,007	(176,339)
(73) Law	56,502	194,625	(138,123)
(74) Stationery and printing	8,264	22,923	(14,659)
(75) Taxes	32,394	106,242	(73,848)
(76) Interest during construction	987,441	5,057,953	(4,070,512)
(77) Other expenditures - General	26,526	77,232	(50,706)
Total general expenditures	1,313,369	5,757,252	(4,443,883)
Total	1,556,554,449	583,173,920	973,380,529
Unassigned	-	-	-
Distribution of amounts charged to Accounts Nos. 4, 15, and 41 and "Unassigned"	xxx	xxx	-
Property Leased to or From Others ICC Schedule 211N	xxx	xxx	118,454,341
GRAND TOTAL	xxx	xxx	1,091,834,870
PLUS:			
Account 702½A, "Acquisition Adjustment" ICC Schedule 200A	xxx	xxx	7,041,779
Account 708, "Cash" ICC Schedule 200A	xxx	xxx	(31,841,713)
Account 716, "Material and Supplies" ICC Schedule 200A	xxx	xxx	(21,911,806)
Net Increase	xxx	xxx	1,045,123,130
LESS: Accrued Depreciation & Amortization ICC Schedule 211N	xxx	xxx	244,706,732
Net Increase in Investment	xxx	xxx	800,416,398

[fol. 585]

[fol. 586]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

ICC Docket No. 31503 and Sub Nos.

Exhibit No. MW-425 (JFW-9)

Witness: John F. Wilson

ADDITIONAL TESTIMONY OF JOHN F. WILSON

In Exhibits MW-183, MW-184, and MW-185 I presented a carload traffic study covering shipments embraced in the Commission's one percent waybill survey for the year 1953, in which one or more of the Midwestern Group lines (complainants in Sub No. 1) participated. In checking over that study, a few minor errors in stating distribution of revenues as settled and as proposed in Exhibit MW-183 were discovered which I should like to correct. The 1953 study did not include shipments where the waybills indicated that a transit privilege had been accorded, and that study has been broadened to include those shipments. I have also prepared carload traffic studies based on the Commission's one percent waybill survey for the years 1954 and 1955, including shipments where the waybills indicated transit, and following the same methods and procedures used in preparing the 1953 study, and a consolidated carload study covering the three years 1953, 1954, and 1955. The corrections and studies are embraced in Exhibits MW-..... (JFW-10) to MW-..... (JFW-19), inclusive.

In order that there may be no misunderstanding as to the coverage of the traffic studies of our Midwestern Group based on the Commission's one percent waybill survey, I wish to state that the 1953 study (MW-183 and MW-184),

—2—

[fol. 587] as corrected and supplemented by Exhibits MW-..... (JFW-10), MW-..... (JFW-11), and MW-..... (JFW-12), the studies for 1954 and 1955 (MW-..... (JFW-13) to

MW-..... (JFW-16), inclusive), and the consolidated study for 1953-1955 (MW-..... (JFW-17) and MW-..... (JFW-18)) all cover carload traffic embraced in the Commission's one percent waybill survey in which one or more of the Midwestern Group lines (complainants in Sub No. 1) participated, and which moved between points covered by the complaint in Sub No. 1, with the exclusions (other than transit) described in Mr. W. E. Carpenter's Exhibits MW-125 and MW-126 and in my Exhibit MW-182.

* * * * * * *

—4—

[fol. 588] Exhibit MW-..... (JFW-18) is a consolidated study covering Midwestern-Transcontinental and Montana traffic for the years 1953, 1954, and 1955. This exhibit is a consolidation of all the traffic covered by Exhibits MW-..... (JFW-12), MW-..... (JFW-14), and MW-..... (JFW-16).

* * * * * * *

[fol. 589]

BEFORE THE

INTERSTATE COMMERCE COMMISSION

I.C.C. Docket No. 31503 and Sub. Nos.

Exhibit No. MW 434 (JFW-18)

Witness: John F. Wilson

TRAFFIC STUDY

COVERING CARLOAD TRAFFIC

BETWEEN

POINTS IN

MIDWESTERN-EAST TERRITORY (AS DESCRIBED IN APPENDIX B, EXHIBIT NO. MW-140), PAGES 1 to 4

MIDWESTERN-SOUTHWEST TERRITORY (AS DESCRIBED ON TITLE PAGE OF EX. NO. MW-79), PAGES 5 to 8

MIDWESTERN-NORTHWEST TERRITORY (AS DESCRIBED ON TITLE PAGE OF EX. NO. MW-80), PAGES 9 to 12

AND

POINTS IN TRANSCONTINENTAL TERRITORY

BETWEEN

POINTS IN

EASTERN TERRITORY (AS DESCRIBED IN APPENDIX A, EXHIBIT NO. MW-140), PAGES 13-14

MIDWESTERN TERRITORY,

PAGE 15

AND

POINTS IN MONTANA

I.C.C. WAYBILL STATISTICS
(INCLUDING TRANSITED SHIPMENTS)

YEARS 1953, 1954 AND 1955 CONSOLIDATED

ROUTE GROUP	GATEWAYS OR PEG POINTS (ROUTES) A	B	C	CARS	TONS	THROUGH Revenue (Dollars)	Average Haul Per Ton (Miles)	Average Haul Per Car (Miles)	BASIS	BETWEEN MIDWESTERN-EAST STATIONS AND A Amount	%	B E T W E E N A - B Amount	%	B - C Amount	%	A - Amount
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)	(12)	(13)	(14)	(15)	(16)	(17)
1-MWE	Council Bluffs, Ia.		Ogden-Salt Lake City, Utah	1,242	34,262	985,042			Pres.Rev.($)	164,254	16.7					399,3
									Pro. Rev.($)	239,426	24.3					376,3
								2,350	Av. Haul,Car	472	20.1					9
							2,343		Av. Haul,Ton	473	20.2					9
2-MWE	Minnesota Transfer, Minn.		East Portal, Mont. Heron, Mont. Yakt, Mont.	975	29,570	798,876			Pres.Rev.($)	126,943	15.9					
									Pro. Rev.($)	182,996	22.9					
								2,197	Av. Haul,Car	383	17.4					
							2,202		Av. Haul,Ton	387	17.6					
3-MWE	Kansas City, Mo.		El Paso, Tex.	686	14,260	494,468			Pres.Rev.($)	79,376	16.0					186,2
									Pro. Rev.($)	119,695	24.2					185,3
								2,276	Av. Haul,Car	462	20.3					9
							2,340		Av. Haul,Ton	461	19.7					1,0
4-MWE	Council Bluffs, Ia.		Granger, Wyo.	527	15,790	407,455			Pres.Rev.($)	69,150	17.0					
									Pro, Rev.($)	103,964	25.5					
								2,114	Av. Haul,Car	461	21.8					
							2,132		Av. Haul,Ton	467	21.9					
5-MWE	Council Bluffs, Ia.	Colorado Junctions	Ogden-Salt Lake City, Utah	391	11,773	334,999			Pres.Rev.($)	54,110	16.2	60,064	17.9	76,015	22.7	
									Pro. Rev.($)	77,931	23.3	63,602	19.0	67,400	20.1	
								2,523	Av. Haul,Car	443	17.6	601	23.8	599	23.7	
							2,527		Av. Haul,Ton	447	17.7	603	23.9	600	23.7	
6-MWE	Kansas City, Mo.		Belen, N. Mex.	338	7,810	269,161			Pres.Rev.($)	38,970	14.5					
									Pro. Rev.($)	61,692	22.9					
								2,225	Av. Haul,Car	403	18.1					
							2,221		Av. Haul,Ton	407	18.3					
7-MWE	Council Bluffs, Ia.		Salt Lake City, Utah (thru)	327	7,290	277,329			Pres.Rev.($)	46,489	16.8					
									Pro. Rev.($)	67,283	24.3					
								2,228	Av. Haul,Car	446	20.0					
							2,216		Av. Haul,Ton	471	21.3					
8-MWE	Kansas City, Mo.	Colorado Junctions	Ogden-Salt Lake City, Utah	305	8,751	253,556			Pres.Rev.($)	36,990	14.6	40,668	16.0	60,885	24.0	
									Pro. Rev.($)	54,392	21.5	51,074	20.1	54,425	21.5	
								2,530	Av. Haul,Car	376	14.8	632	25.0	637	25.2	
							2,538		Av. Haul,Ton	380	15.0	632	24.9	638	25.1	
9-MWE	Fort Worth, Tex.			201	1,906	99,420			Pres.Rev.($)	28,418	28.6					
									Pro. Rev.($)	34,890	35.1					
								2,581	Av. Haul,Car	764	29.6					
							2,501		Av. Haul,Ton	776	31.0					
10-MWE	El Paso, Tex.			135	3,076	93,032			Pres.Rev.($)	44,694	48.0					
									Pro. Rev.($)	51,337	55.2					
								2,007	Av. Haul,Car	1,218	60.7					
							2,027		Av. Haul,Ton	1,223	60.3					

C (4)	CARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN-EAST STATIONS AND A Amount (11)	% (12)	B E T W E E N A - B Amount (13)	% (14)	B - C Amount (15)	% (16)	A - C Amount (17)	% (18)	WEST OF C Amount (19)	% (20)	WEST OF A Amount (21)	% (22)	WEST OF B Amount (23)	% (24)
	1,242	34,262	985,042			Pres.Rev.($)	164,254	16.7					399,360	40.5	421,428	42.8				
ns City,						Pro. Rev.($)	239,426	24.3					376,305	38.2	369,311	37.5				
					2,350	Av. Haul,Car	472	20.1					996	42.4	882	37.5				
				2,343		Av. Haul,Ton	473	20.2					996	42.5	874	37.3				
rtal, Mont.	975	29,570	798,876			Pres.Rev.($)	126,943	15.9									671,933	84.1		
Mont.						Pro. Rev.($)	182,996	22.9									615,880	77.1		
Mont.					2,197	Av. Haul,Car	383	17.4									1,814	82.6		
				2,202		Av. Haul,Ton	387	17.6									1,815	82.4		
, Tex.	686	14,260	494,468			Pres.Rev.($)	79,376	16.0					186,289	37.7	228,803	46.3				
						Pro. Rev.($)	119,695	24.2					185,360	37.5	189,413	38.3				
					2,276	Av. Haul,Car	462	20.3					996	43.8	818	35.9				
				2,340		Av. Haul,Ton	461	19.7					1,003	42.9	876	37.4				
, Wyo.	527	15,790	407,455			Pres.Rev.($)	69,150	17.0									338,305	83.0		
						Pro. Rev.($)	103,964	25.5									303,491	74.5		
					2,114	Av. Haul,Car	461	21.8									1,653	78.2		
				2,132		Av. Haul,Ton	467	21.9									1,665	78.1		
	391	11,773	334,999			Pres.Rev.($)	54,110	16.2	60,064	17.9	76,015	22.7			144,810	43.2				
ns City,						Pro. Rev.($)	77,931	23.3	63,602	19.0	67,400	20.1			126,066	37.6				
					2,523	Av. Haul,Car	443	17.6	601	23.8	599	23.7			880	34.9				
				2,527		Av. Haul,Ton	447	17.7	603	23.9	600	23.7			877	34.7				
N. Mex.	338	7,810	269,161			Pres.Rev.($)	38,970	14.5									230,191	85.5		
						Pro. Rev.($)	61,692	22.9									207,469	77.1		
					2,225	Av. Haul,Car	403	18.1									1,822	81.9		
				2,221		Av. Haul,Ton	407	18.3									1,814	81.7		
ns City,	327	7,290	277,329			Pres.Rev.($)	46,489	16.8									230,840	83.2		
(thru)						Pro. Rev.($)	67,283	24.3									210,046	75.7		
					2,228	Av. Haul,Car	446	20.0									1,782	80.0		
				2,216		Av. Haul,Ton	471	21.3									1,745	78.7		
	305	8,751	253,556			Pres.Rev.($)	36,990	14.6	40,668	16.0	60,885	24.0			115,013	45.4				
ns City,						Pro. Rev.($)	54,392	21.5	51,074	20.1	54,425	21.5			93,665	36.9				
					2,530	Av. Haul,Car	376	14.8	632	25.0	637	25.2			885	35.0				
				2,538		Av. Haul,Ton	380	15.0	632	24.9	638	25.1			888	35.0				
	201	1,906	99,420			Pres.Rev.($)	28,418	28.6									71,002	71.4		
						Pro. Rev.($)	34,890	35.1									64,530	64.9		
					2,581	Av. Haul,Car	764	29.6									1,817	70.4		
				2,501		Av. Haul,Ton	776	31.0									1,725	69.0		
	135	3,076	93,032			Pres.Rev.($)	44,694	48.0									48,338	52.0		
						Pro. Rev.($)	51,337	55.2									41,695	44.8		
					2,007	Av. Haul,Car	1,218	60.7									789	39.3		
				2,027		Av. Haul,Ton	1,223	60.3									804	39.7		

ROUTE GROUP (1)	GATEWAYS OR PEG POINTS (ROUTES) A (2)	B (3)	C (4)	CARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN - EAST STATIONS AND A Amount (11)	% (12)	B E T W E E A - B Amount (13)	% (14)	B - C Amount (15)	% (16)
11-1WE	Kansas City, Mo.		Ogden-Salt Lake City, Utah	132	3,615	103,782			Pres.Rev. ($)	15,024	14.5				
									Pro. Rev. ($)	21,277	20.5				
								2,411	Av. Haul, Car	363	15.0				
							2,411		Av. Haul, Ton	348	14.4				
12-1WE	Kansas City, Mo.		Granger, Wyo.	118	2,464	83,315			Pres.Rev. ($)	11,212	13.5				
									Pro. Rev. ($)	17,042	20.5				
								2,270	Av. Haul, Car	309	13.6				
							2,175		Av. Haul, Ton	307	14.1				
13-1WE	#Colorado Junctions		Ogden-Salt Lake City, Utah	65	1,870	52,298			Pres.Rev. ($)	10,209	19.5				
									Pro. Rev. ($)	14,687	28.1				
								2,261	Av. Haul, Car	677	30.0				
							2,276		Av. Haul, Ton	675	29.7				
14-1WE	Kansas City, Mo.		Amarillo, Tex.	52	1,495	48,166			Pres.Rev. ($)	7,585	15.8				
									Pro. Rev. ($)	11,386	23.6				
								2,376	Av. Haul, Car	455	19.1				
							2,409		Av. Haul, Ton	469	19.5				
15-1WE	Oakes, N. D.		Heron, Mont.	31	1,156	20,762			Pres.Rev. ($)	4,110	19.8				
									Pro. Rev. ($)	5,293	25.5				
								1,903	Av. Haul, Car	348	18.3				
							1,900		Av. Haul, Ton	345	18.2				
16-1WE	Kansas City, Mo.		East Portal, Mont. Heron, Mont. Yakt, Mont.	27	951	24,172			Pres.Rev. ($)	3,104	12.8				
									Pro. Rev. ($)	4,681	19.4				
								2,397	Av. Haul, Car	276	11.5				
							2,393		Av. Haul, Ton	270	11.3				
17-1WE	Council Bluffs, Ia.		East Portal, Mont. Heron, Mont. Yakt, Mont.	22	645	18,762			Pres.Rev. ($)	3,006	16.0				
									Pro. Rev. ($)	4,131	22.0				
								2,304	Av. Haul, Car	398	17.3				
							2,302		Av. Haul, Ton	401	17.4				
18-1WE	E. St.Louis, Ill.		El Paso, Tex.	22	388	18,618			Pres.Rev. ($)	2,536	13.6				
									Pro. Rev. ($)	4,132	22.2				
								2,856	Av. Haul, Car	430	15.1				
							2,883		Av. Haul, Ton	403	14.0				
19-1WE	Superior, Wis.		Yakt, Mont.	12	573	13,336			Pres.Rev. ($)	2,150	16.1				
									Pro. Rev. ($)	3,373	25.3				
								2,259	Av. Haul, Car	528	23.4				
							2,183		Av. Haul, Ton	559	25.6				

Proposed revenue is based on subdivision of primary division east of C.

[fol. 591]

	THROUGH						BETWEEN MIDWESTERN - EAST STATIONS AND A		BETWEEN									
									A - B		B - C		A - C		WEST OF C.		WEST OF A		WEST OF B	
	CARS (5)	TONS (6)	Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	Amount (11)	% (12)	Amount (13)	% (14)	Amount (15)	% (16)	Amount (17)	% (18)	Amount (19)	% (20)	Amount (21)	% (22)	Amount (23)	% (24)
	132	3,615	103,782			Pres.Rev. ($)	15,024	14.5					41,026	39.5	47,732	46.0				
y.						Pro. Rev. ($)	21,277	20.5					42,620	41.1	39,885	38.4				
					2,411	Av. Haul, Car	363	15.0					1,111	46.1	937	38.9				
				2,411		Av. Haul, Ton	348	14.4					1,112	46.1	951	39.5				
	118	2,464	83,315			Pres.Rev. ($)	11,212	13.5									72,103	86.5		
						Pro. Rev. ($)	17,042	20.5									66,273	79.5		
					2,270	Av. Haul, Car	309	13.6									1,961	86.4		
				2,175		Av. Haul, Ton	307	14.1									1,868	85.9		
	65	1,870	52,298			Pres.Rev. ($)	10,209	19.5					14,052	26.9	28,037	53.6				
						Pro. Rev. ($)	14,687	28.1					13,663	26.1	23,948	45.8				
by.					2,261	Av. Haul, Car	677	30.0					645	28.5	939	41.5				
				2,276		Av. Haul, Ton	675	29.7					643	28.2	958	42.1				
	52	1,495	48,166			Pres.Rev. ($)	7,585	15.8					11,869	24.6	26,712	59.6				
						Pro. Rev. ($)	11,386	23.6					12,450	25.9	24,330	50.5				
					2,376	Av. Haul, Car	455	19.1					660	27.8	1,261	53.1				
				2,409		Av. Haul, Ton	469	19.5					664	27.5	1,276	53.0				
	31	1,156	20,762			Pres.Rev. ($)	4,110	19.8									16,652	80.2		
						Pro. Rev. ($)	5,293	25.5									15,469	74.5		
					1,903	Av. Haul, Car	348	18.3									1,555	81.7		
				1,900		Av. Haul, Ton	345	18.2									1,555	81.8		
Mont.	27	951	24,172			Pres.Rev. ($)	3,104	12.8									21,068	87.2		
						Pro. Rev. ($)	4,681	19.4									19,491	80.6		
					2,397	Av. Haul, Car	276	11.5									2,121	88.5		
				2,393		Av. Haul, Ton	270	11.3									2,123	88.7		
Mont.	22	645	18,762			Pres.Rev. ($)	3,006	16.0									15,756	84.0		
						Pro. Rev. ($)	4,131	22.0									14,631	78.0		
					2,304	Av. Haul, Car	398	17.3									1,906	82.7		
				2,302		Av. Haul, Ton	401	17.4									1,901	82.6		
	22	388	18,618			Pres.Rev. ($)	2,536	13.6					8,028	43.1	8,054	43.3				
						Pro. Rev. ($)	4,132	22.2					7,668	41.2	6,818	36.6				
					2,856	Av. Haul, Car	430	15.1					1,532	53.6	894	31.3				
				2,883		Av. Haul, Ton	403	14.0					1,549	53.7	931	32.3				
	12	573	13,336			Pres.Rev. ($)	2,150	16.1									11,186	83.9		
						Pro. Rev. ($)	3,373	25.3									9,963	74.7		
					2,259	Av. Haul, Car	528	23.4									1,731	76.6		
				2,183		Av. Haul, Ton	559	25.6									1,624	74.4		

vision east of C.

ROUTE GROUP (1)	GATEWAYS OR PEG POINTS (ROUTES) A (2)	B (3)	C (4)	CARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN-SOUTHWEST STATIONS AND A Amount (11)	% (12)	B E T W E E N A - B Amount (13)	% (14)	B - C Amount (15)	% (16)
1-SW	El Paso, Tex.			700	19,748	531,728			Pres.Rev. ($)	236,543	44.5				
									Pro. Rev. ($)	253,053	47.6				
								2,023	Av. Haul, Car	1,002	49.6				
							2,063		Av. Haul, Ton	1,015	49.2				
2-SW	Kansas City, Mo.		Ogden-Salt Lake City, Utah	367	11,376	283,824			Pres.Rev. ($)	67,077	23.6				
									Pro. Rev. ($)	64,901	22.9				
								2,562	Av. Haul, Car	479	18.7				
							2,579		Av. Haul, Ton	485	18.8				
3-SW	Kansas City, Mo.	Colorado Junctions	Ogden-Salt Lake City, Utah	302	9,427	247,067			Pres.Rev. ($)	57,502	23.2	32,550	13.2	48,652	19.7
									Pro. Rev. ($)	61,359	24.8	46,499	18.8	49,862	20.2
								2,777	Av. Haul, Car	569	20.5	630	22.7	642	23.1
							2,783		Av. Haul, Ton	562	20.2	631	22.7	642	23.1
4-SW	Kansas City, Mo.		Granger, Wyo.	284	8,594	200,369			Pres.Rev. ($)	49,478	24.7				
									Pro. Rev. ($)	51,916	25.9				
								2,328	Av. Haul, Car	528	22.7				
							2,374		Av. Haul, Ton	545	23.0				
5-SW	Kansas City, Mo.		East Portal, Mont. Heron, Mont. Yakt, Mont.	274	7,058	199,384			Pres.Rev. ($)	50,063	25.1				
									Pro. Rev. ($)	51,346	25.8				
								2,669	Av. Haul, Car	595	22.3				
							2,665		Av. Haul, Ton	576	21.6				
6-SW	Minnesota Transfer, Minn.		East Portal, Mont. Heron, Mont. Yakt, Mont.	213	11,124	149,937			Pres.Rev. ($)	50,281	33.5				
									Pro. Rev. ($)	61,714	41.2				
								2,792	Av. Haul, Car	1,268	45.4				
							2,775		Av. Haul, Ton	1,286	46.3				
7-SW	Kansas City, Mo.	Minnesota Transfer, Minn.	East Portal, Mont. Heron, Mont. Yakt, Mont.	177	7,176	127,578			Pres.Rev. ($)	33,059	25.9	15,591	12.2		
									Pro. Rev. ($)	32,611	25.6	20,976	16.4		
								2,929	Av. Haul, Car	612	20.8	526	18.0		
							2,879		Av. Haul, Ton	611	21.2	520	18.1		
8-SW	Floydada, Tex.			78	2,357	63,876			Pres.Rev. ($)	19,720	30.9				
									Pro. Rev. ($)	23,261	36.4				
								1,977	Av. Haul, Car	657	33.2				
							1,943		Av. Haul, Ton	646	33.2				
9-SW	Roscoe, Tex.			76	2,148	90,143			Pres.Rev. ($)	28,463	31.6				
									Pro. Rev. ($)	34,772	38.6				
								1 969	Av. Haul, Car	656	33.3				
							1,939		Av. Haul, Ton	649	33.5				

	CARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	THROUGH Average Haul Per Ton (Miles) (8)	THROUGH Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN-SOUTHWEST STATIONS AND A Amount (11)	% (12)	BETWEEN A - B Amount (13)	% (14)	BETWEEN B - C Amount (15)	% (16)	BETWEEN A - C Amount (17)	% (18)	WEST OF C Amount (19)	% (20)	WEST OF A Amount (21)	% (22)	WEST OF B Amount (23)	% (24)
	700	19,748	531,728			Pres.Rev. ($)	236,543	44.5									295,185	55.5		
						Pro. Rev. ($)	253,053	47.6									278,675	52.4		
					2,023	Av. Haul, Car	1,002	49.6									1,021	50.4		
				2,063		Av. Haul, Ton	1,015	49.2									1,048	50.8		
	367	11,376	283,824			Pres.Rev. ($)	67,077	23.6					93,803	33.1	122,944	43.3				
y,						Pro. Rev. ($)	64,901	22.9					110,631	39.0	108,292	38.1				
					2,562	Av. Haul, Car	479	18.7					1,107	43.2	976	38.1				
				2,579		Av. Haul, Ton	485	18.8					1,106	42.9	988	38.3				
	302	9,427	247,067			Pres.Rev. ($)	57,502	23.2	32,550	13.2	48,652	19.7			108,363	43.9				
y,						Pro. Rev. ($)	61,359	24.8	46,499	18.8	49,862	20.2			89,347	36.2				
					2,777	Av. Haul, Car	569	20.5	630	22.7	642	23.1			936	33.7				
				2,783		Av. Haul, Ton	562	20.2	631	22.7	642	23.1			948	34.0				
	284	8,594	200,369			Pres.Rev. ($)	49,478	24.7									150,891	75.3		
						Pro. Rev. ($)	51,916	25.9									148,453	74.1		
					2,328	Av. Haul, Car	528	22.7									1,800	77.3		
				2,374		Av. Haul, Ton	545	23.0									1,829	77.0		
Mont.	274	7,058	199,384			Pres.Rev. ($)	50,063	25.1									149,321	74.9		
						Pro. Rev. ($)	51,346	25.8									148,038	74.2		
					2,669	Av. Haul, Car	595	22.3									2,074	77.7		
				2,665		Av. Haul, Ton	576	21.6									2,089	78.4		
Mont.	213	11,124	149,937			Pres.Rev. ($)	50,281	33.5									99,656	66.5		
						Pro. Rev. ($)	61,714	41.2									88,223	58.8		
					2,792	Av. Haul, Car	1,268	45.4									1,524	54.6		
				2,775		Av. Haul, Ton	1,286	46.3									1,489	53.7		
Mont.	177	7,176	127,578			Pres.Rev. ($)	33,059	25.9	15,591	12.2									78,928	61.9
						Pro. Rev. ($)	32,611	25.6	20,976	16.4									73,991	58.0
					2,929	Av. Haul, Car	612	20.8	526	18.0									1,791	61.2
				2,879		Av. Haul, Ton	611	21.2	520	18.1									1,748	60.7
	78	2,357	63,876			Pres.Rev. ($)	19,720	30.9									44,156	69.1		
						Pro. Rev. ($)	23,261	36.4									40,615	63.6		
					1,977	Av. Haul, Car	657	33.2									1,320	66.8		
				1,943		Av. Haul, Ton	646	33.2									1,297	66.8		
	76	2,148	90,143			Pres.Rev. ($)	28,463	31.6									61,680	68.4		
						Pro. Rev. ($)	34,772	38.6									55,371	61.4		
					1,969	Av. Haul, Car	656	33.3									1,313	66.7		
				1,939		Av. Haul, Ton	649	33.5									1,290	66.5		

MIDWESTERN-SOUTHWEST TERRITORY - - TRANSCONTINENTAL TERRITORY

ROUTE GROUP (1)	GATEWAYS OR PEG POINTS (ROUTES) A (2)	B (3)	C (4)	CARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN-SOUTHWEST STATIONS AND A Amount (11)	% (12)	BETWEEN B Amount (13)	A - B % (14)	Amount (15)	B - C % (16)	E
10-SW	Milano, Tex.			52	1,455	37,735			Pres. Rev.($)	7,637	20.2					
									Pro. Rev.($)	9,000	23.9					
								1,813	Av. Haul, Car	244	13.5					
							1,690		Av. Haul, Ton	267	15.8					
11-SW	Dallas, Tex.			48	1,117	36,259			Pres. Rev.($)	8,459	23.3					
									Pro. Rev.($)	9,758	26.9					
								1,999	Av. Haul, Car	436	21.8					
							2,024		Av. Haul, Ton	429	21.2					
12-SW	Manhattan, Kans.	Denver, Colo.	Ogden-Salt Lake City, Utah	48	1,606	42,798			Pres. Rev.($)	11,615	27.1	5,274	12.3	7,877	18.4	
									Pro. Rev.($)	10,416	24.3	7,898	18.5	8,386	19.6	
								2,641	Av. Haul, Car	523	19.8	515	19.5	601	22.8	
							2,634		Av. Haul, Ton	516	19.6	515	19.6	602	22.9	
13-SW	Amarillo, Tex.			45	1,031	46,276			Pres. Rev.($)	18,652	40.3					
									Pro. Rev.($)	19,045	41.2					
								1,681	Av. Haul, Car	488	29.0					
							1,730		Av. Haul, Ton	587	33.9					
14-SW	Fort Worth, Tex.		Ogden-Salt Lake City, Utah	41	1,148	34,311			Pres. Rev.($)	5,483	16.0					
									Pro. Rev.($)	6,327	18.4					
								2,555	Av. Haul, Car	284	11.1					
							2,565		Av. Haul, Ton	295	11.5					
15-SW	Kansas City, Mo.		Salt Lake City, Utah (thru)	41	1,023	41,197			Pres. Rev.($)	9,455	23.0					
									Pro. Rev.($)	11,068	26.9					
								2,413	Av. Haul, Car	589	24.4					
							2,449		Av. Haul, Ton	640	26.1					
16-SW	Sweetwater, Tex.			32	898	26,513			Pres. Rev.($)	8,636	32.6					
									Pro. Rev.($)	10,197	38.5					
								1,831	Av. Haul, Car	622	34.0					
							1,841		Av. Haul, Ton	616	33.5					
17-SW	Kansas City, Mo.		Belen, N. Mex.	28	655	19,093			Pres. Rev.($)	3,382	17.7					
									Pro. Rev.($)	4,737	24.8					
								2,359	Av. Haul, Car	531	22.5					
							2,349		Av. Haul, Ton	494	21.0					
18-SW	Manhattan, Kans.	Denver, Colo.	Heron, Mont. Yakt, Mont.	26	1,502	17,309			Pres. Rev.($)	# 6,222	35.9					
									Pro. Rev.($)	# 8,180	47.3					
								2,653	Av. Haul, Car	# 1,191	44.9					
							2,661		Av. Haul, Ton	# 1,199	45.1					

Between Midwest S.W. Stations and B

MIDWESTERN-SOUTHWEST TERRITORY - - TRANSCONTINENTAL TERRITORY

	THROUGH					BETWEEN MIDWESTERN-SOUTHWEST STATIONS AND A		BETWEEN											
								A - B		B - C		A - C		WEST OF C		WEST OF A		WEST OF B	
CARS (5)	TONS (6)	Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	Amount (11)	% (12)	Amount (13)	% (14)	Amount (15)	% (16)	Amount (17)	% (18)	Amount (19)	% (20)	Amount (21)	% (22)	Amount (23)	% (24)
52	1,455	37,735			Pres. Rev.($)	7,637	20.2									30,098	79.8		
					Pro. Rev.($)	9,000	23.9									28,735	76.1		
				1,813	Av. Haul, Car	244	13.5									1,569	86.5		
			1,690		Av. Haul, Ton	267	15.8									1,423	84.2		
48	1,117	36,259			Pres. Rev.($)	8,459	23.3									27,800	76.7		
					Pro. Rev.($)	9,758	26.9									26,501	73.1		
				1,999	Av. Haul, Car	436	21.8									1,563	78.2		
			2,024		Av. Haul, Ton	429	21.2									1,595	78.8		
48	1,606	42,798			Pres. Rev.($)	11,615	27.1	5,274	12.3	7,877	18.4			18,032	42.2				
					Pro. Rev.($)	10,416	24.3	7,898	18.5	8,386	19.6			16,098	37.6				
				2,641	Av. Haul, Car	523	19.8	515	19.5	601	22.8			1,002	37.9				
			2,634		Av. Haul, Ton	516	19.6	515	19.6	602	22.9			1,001	37.9				
45	1,031	46,276			Pres. Rev.($)	18,652	40.3									27,624	59.7		
					Pro. Rev.($)	19,045	41.2									27,231	58.8		
				1,681	Av. Haul, Car	488	29.0									1,193	71.0		
			1,730		Av. Haul, Ton	587	33.9									1,143	66.1		
41	1,148	34,311			Pres. Rev.($)	5,483	16.0					14,313	41.7	14,515	42.3				
					Pro. Rev.($)	6,327	18.4					15,563	45.4	12,421	36.2				
				2,555	Av. Haul, Car	284	11.1					1,348	52.8	923	36.1				
			2,565		Av. Haul, Ton	295	11.5					1,347	52.5	923	36.0				
41	1,023	41,197			Pres. Rev.($)	9,455	23.0									31,742	77.0		
					Pro. Rev.($)	11,068	26.9									30,129	73.1		
				2,413	Av. Haul, Car	589	24.4									1,824	75.6		
			2,449		Av. Haul, Ton	640	26.1									1,809	73.9		
32	898	26,513			Pres. Rev.($)	8,636	32.6									17,877	67.4		
					Pro. Rev.($)	10,197	38.5									16,316	61.5		
				1,831	Av. Haul, Car	622	34.0									1,209	66.0		
			1,841		Av. Haul, Ton	616	33.5									1,225	66.5		
28	655	19,093			Pres. Rev.($)	3,382	17.7									15,711	82.3		
					Pro. Rev.($)	4,737	24.8									14,356	75.2		
				2,359	Av. Haul, Car	531	22.5									1,828	77.5		
			2,349		Av. Haul, Ton	494	21.0									1,855	79.0		
26	1,502	17,309			Pres. Rev.($)	# 6,222	35.9											11,087	64.1
					Pro. Rev.($)	# 8,180	47.3											9,129	52.7
				2,653	Av. Haul, Car	# 1,191	44.9											1,462	55.1
			2,661		Av. Haul, Ton	# 1,199	45.1											1,462	54.9

MIDWESTERN-NORTHWEST TERRITORY - - TRANSCONTINENTAL TERRITORY

ROUTE GROUP (1)	GATEWAYS OR PEG POINTS (ROUTES) A (2)	B (3)	C (4)	CARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN-NORTHWEST STATIONS AND A Amount (11)	% (12)	B E T W E E N A - B Amount (13)	% (14)	B - C Amount (15)	% (16)
1-NW	#Colorado Junctions		Ogden-Salt Lake City, Utah	77	2,018	54,673			Pres.Rev. ($)	10,824	19.8				
									Pro. Rev. ($)	12,915	23.6				
								2,031	Av. Haul, Car	442	21.8				
							2,089		Av. Haul, Ton	471	22.5				
2-NW	Aberdeen, S. Dak.		E.Portal, Mont. Heron, Mont. Yakt, Mont.	71	1,640	36,087			Pres.Rev. ($)	8,468	23.5				
									Pro. Rev. ($)	7,360	20.4				
								1,761	Av. Haul, Car	214	12.2				
							1,827		Av. Haul, Ton	207	11.3				
3-NW	Kansas City, Mo.		E.Portal, Mont. Heron, Mont. Yakt, Mont.	39	1,280	28,148			Pres.Rev. ($)	4,823	17.1				
									Pro. Rev. ($)	5,210	18.5				
								2,344	Av. Haul, Car	225	09.6				
							2,355		Av. Haul, Ton	228	09.7				
4-NW	El Paso, Tex.			38	884	24,401			Pres.Rev. ($)	11,463	47.0				
									Pro. Rev. ($)	12,263	50.3				
								1,591	Av. Haul, Car	837	52.6				
							1,655		Av. Haul, Ton	866	52.3				
5-NW	Nebraska Junctions		Ogden-Salt Lake City, Utah	34	792	19,367			Pres.Rev. ($)	2,403	12.4				
									Pro. Rev. ($)	3,002	15.5				
								1,917	Av. Haul, Car	99	05.2				
							1,962		Av. Haul, Ton	70	03.6				
6-NW	Fremont, Nebr.		Salt Lake City, Utah (thru)	33	336	12,005			Pres.Rev. ($)	1,317	11.0				
									Pro. Rev. ($)	1,822	15.2				
								1,863	Av. Haul, Car	90	04.8				
							1,863		Av. Haul, Ton	90	04.8				
7-NW	Minnesota Transfer, Minn.		E. Portal, Mont. Heron, Mont. Yakt, Mont.	32	1,078	24,715			Pres.Rev. ($)	3,628	14.7				
									Pro. Rev. ($)	4,027	16.3				
								2,039	Av. Haul, Car	107	05.2				
							2,055		Av. Haul, Ton	117	05.7				
8-NW	Council Bluffs, Ia.		Ogden-Salt Lake City, Utah	29	878	23,888			Pres.Rev. ($)	3,662	15.3				
									Pro. Rev. ($)	4,513	18.9				
								2,138	Av. Haul, Car	283	13.2				
							2,146		Av. Haul, Ton	283	13.2				
9-NW	Kansas City, Mo.		Granger, Wyo.	27	763	23,281			Pres.Rev. ($)	3,167	13.6				
									Pro. Rev. ($)	3,855	16.6				
								1,964	Av. Haul, Car	192	09.8				
							1,989		Av. Haul, Ton	186	09.4				
10-NW	Kansas City, Mo.		Ogden-Salt Lake City, Utah	23	609	20,037			Pres.Rev. ($)	2,218	11.1				
									Pro. Rev. ($)	3,155	15.7				
								2,178	Av. Haul, Car	148	06.8				
							2,178		Av. Haul, Ton	139	06.4				

Proposed Revenue is based on subdivision of primary division east of C.

[fol. 594]

MIDWESTERN-NORTHWEST TERRITORY - - TRANSCONTINENTAL TERRITORY

CARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN-NORTHWEST STATIONS AND A Amount (11)	% (12)	B E T W E E N A - B Amount (13)	% (14)	B - C Amount (15)	% (16)	A - C Amount (17)	% (18)	WEST OF C Amount (19)	% (20)	WEST OF A Amount (21)	% (22)	WEST OF B Amount (23)	% (24)
77	2,018	54,673			Pres.Rev. ($)	10,824	19.8					12,787	23.4	31,062	56.8				
					Pro. Rev. ($)	12,915	23.6					15,290	28.0	26,468	48.4				
				2,031	Av. Haul, Car	442	21.8					629	31.0	960	47.2				
			2,089		Av. Haul, Ton	471	22.5					639	30.6	979	46.9				
																27,619	76.5		
71	1,640	36,087			Pres.Rev. ($)	8,468	23.5									28,727	79.6		
					Pro. Rev. ($)	7,360	20.4									1,547	87.8		
				1,761	Av. Haul, Car	214	12.2									1,620	88.7		
			1,827		Av. Haul, Ton	207	11.3												
																23,325	82.9		
39	1,280	28,148			Pres.Rev. ($)	4,823	17.1									22,938	81.5		
					Pro. Rev. ($)	5,210	18.5									2,119	90.4		
				2,344	Av. Haul, Car	225	09.6									2,127	90.3		
			2,355		Av. Haul, Ton	228	09.7												
																12,938	53.0		
38	884	24,401			Pres.Rev. ($)	11,463	47.0									12,138	49.7		
					Pro. Rev. ($)	12,263	50.3									754	47.4		
				1,591	Av. Haul, Car	837	52.6									789	47.7		
			1,655		Av. Haul, Ton	866	52.3												
												7,694	39.7	9,270	47.9				
34	792	19,367			Pres.Rev. ($)	2,403	12.4					7,965	41.1	8,400	43.4				
					Pro. Rev. ($)	3,002	15.5					939	49.0	879	45.8				
				1,917	Av. Haul, Car	99	05.2					930	47.4	962	49.0				
			1,962		Av. Haul, Ton	70	03.6												
																10,688	89.0		
33	336	12,005			Pres.Rev. ($)	1,317	11.0									10,183	84.8		
					Pro. Rev. ($)	1,822	15.2									1,773	95.2		
				1,863	Av. Haul, Car	90	04.8									1,773	95.2		
			1,863		Av. Haul, Ton	90	04.8												
																21,087	85.3		
32	1,078	24,715			Pres.Rev. ($)	3,628	14.7									20,688	83.7		
					Pro.Rev. ($)	4,027	16.3									1,932	94.8		
				2,039	Av. Haul, Car	107	05.2									1,938	94.3		
			2,055		Av. Haul, Ton	117	05.7												
												10,115	42.4	10,111	42.3				
29	878	23,888			Pres.Rev. ($)	3,662	15.3					9,764	40.9	9,611	40.2				
					Pro. Rev. ($)	4,513	18.9					995	46.5	860	40.3				
				2,138	Av. Haul, Car	283	13.2					996	46.4	867	40.4				
			2,146		Av. Haul, Ton	283	13.2												
																20,114	86.4		
27	763	23,281			Pres.Rev. ($)	3,167	13.6									19,426	83.4		
					Pro. Rev. ($)	3,855	16.6									1,772	90.2		
				1,964	Av. Haul, Car	192	09.8									1,803	90.6		
			1,989		Av. Haul, Ton	186	09.4												
												7,925	39.5	9,894	49.4				
23	609	20,037			Pres.Rev. ($)	2,218	11.1					8,953	44.7	7,929	39.6				
					Pro. Rev. ($)	3,155	15.7					1,103	50.6	927	42.6				
				2,178	Av. Haul, Car	148	06.8					1,099	50.5	940	43.1				
			2,178		Av. Haul, Ton	139	06.4												

ivision east of C.

MIDWESTERN-NORTHWEST TERRITORY - - TRANSCONTINENTAL TERRITORY

ROUTE GROUP (1)	GATEWAYS OR PEG POINTS (ROUTES) A (2)	B (3)	C (4)	CARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN-NORTHWEST STATIONS AND A Amount (11)	% (12)	B E T W E E N A - B Amount (13)	% (14)	B - C Amount (15)	% (16)
11-NW	Kansas City, Mo.	Colorado Junctions	Ogden-Salt Lake City, Utah	17	604	25,295			Pres.Rev. ($)	2,769	10.9	4,017	15.9	5,949	23.5
									Pro. Rev. ($)	4,264	16.9	5,651	22.3	5,992	23.7
								2,352	Av. Haul, Car	231	09.8	625	26.6	628	26.7
							2,360		Av. Haul, Ton	241	10.2	626	26.5	627	26.6
12-NW	#Colorado Junctions		El Paso, Tex.	14	397	8,859			Pres.Rev. ($)	1,535	17.3				
									Pro. Rev. ($)	2,119	23.9				
								1,816	Av. Haul, Car	339	18.7				
							1,884		Av. Haul, Ton	358	19.0				
13-NW	Nebraska Junctions		Granger, Wyo.	14	190	5,853			Pres.Rev. ($)	761	13.0				
									Pro. Rev. ($)	938	16.0				
								1,805	Av. Haul, Car	100	05.5				
							1,801		Av. Haul, Ton	124	06.9				
14-NW	#Colorado Junctions		Heron, Mont. Yakt, Mont.	13	432	9,094			Pres.Rev. ($)	2,035	22.4				
									Pro. Rev. ($)	2,223	24.4				
								2,136	Av. Haul, Car	443	20.7				
							2,137		Av. Haul, Ton	456	21.3				
15-NW	Kansas City, Mo.	Minnesota Transfer, Minn.	E. Portal, Mont. Heron, Mont. Yakt, Mont.	13	425	10,924			Pres.Rev. ($)	1,683	15.4	1,526	14.0		
									Pro. Rev. ($)	1,770	16.2	2,020	18.5		
								2,549	Av. Haul, Car	171	06.7	556	21.8		
							2,559		Av. Haul, Ton	173	06.7	557	21.8		
16-NW	Council Bluffs, Ia.		Granger, Wyo.	12	402	8,409			Pres.Rev. ($)	1,205	14.3				
									Pro. Rev. ($)	1,790	21.3				
								1,904	Av. Haul, Car	272	14.3				
							1,926		Av. Haul, Ton	282	14.6				
17-NW	Kansas Junctions		Ogden, Utah	12	401	9,022			Pres.Rev. ($)	1,541	17.1				
									Pro. Rev. ($)	1,406	15.6				
								2,168	Av. Haul, Car	130	06.0				
							2,172		Av. Haul, Ton	145	06.7				
18-NW	Council Bluffs, Ia.	Colorado Junctions	Ogden-Salt Lake City, Utah	10	390	9,930			Pres.Rev. ($)	1,403	14.1	1,690	17.0	2,319	23.4
									Pro. Rev. ($)	1,911	19.2	2,010	20.2	2,110	21.3
								2,580	Av. Haul, Car	400	15.5	646	25.0	594	23.0
							2,583		Av. Haul, Ton	397	15.4	661	25.6	593	23.0
19-NW	Crawford, Nebr.		Ogden, Utah	7	214	4,160			Pres.Rev. ($)	441	10.6				
									Pro. Rev. ($)	796	19.1				
								1,750	Av. Haul, Car	188	10.7				
							1,758		Av. Haul, Ton	176	10.0				

Proposed revenue is based on subdivision of primary division east of C.

MIDWESTERN-NORTHWEST TERRITORY - - TRANSCONTINENTAL TERRITORY

ARS (5)	TONS (6)	THROUGH Revenue (Dollars) (7)	Average Haul Per Ton (Miles) (8)	Average Haul Per Car (Miles) (9)	BASIS (10)	BETWEEN MIDWESTERN-NORTHWEST STATIONS AND A Amount (11)	% (12)	BETWEEN A - B Amount (13)	% (14)	B - C Amount (15)	% (16)	A - C Amount (17)	% (18)	WEST OF C Amount (19)	% (20)	WEST OF A Amount (21)	% (22)	WEST OF B Amount (23)	% (24)
17	604	25,295			Pres.Rev. ($)	2,769	10.9	4,017	15.9	5,949	23.5			12,560	49.7				
					Pro. Rev. ($)	4,264	16.9	5,651	22.3	5,992	23.7			9,388	37.1				
				2,352	Av. Haul, Car	231	09.8	625	26.6	628	26.7			868	36.9				
			2,360		Av. Haul, Ton	241	10.2	626	26.5	627	26.6			866	36.7				
14	397	8,859			Pres.Rev. ($)	1,535	17.3					2,918	32.9	4,406	49.8				
					Pro. Rev. ($)	2,119	23.9					2,906	32.8	3,834	43.3				
				1,816	Av. Haul, Car	339	18.7					853	47.0	624	34.3				
			1,884		Av. Haul, Ton	358	19.0					855	45.4	671	35.6				
14	190	5,853			Pres.Rev. ($)	761	13.0									5,092	87.0		
					Pro. Rev. ($)	938	16.0									4,915	84.0		
				1,805	Av. Haul, Car	100	05.5									1,705	94.5		
			1,801		Av. Haul, Ton	124	06.9									1,677	93.1		
13	432	9,094			Pres.Rev. ($)	2,035	22.4									7,059	77.6		
					Pro. Rev. ($)	2,223	24.4									6,871	75.6		
				2,136	Av. Haul, Car	143	20.7									1,693	79.3		
			2,137		Av. Haul, Ton	456	21.3									1,681	78.7		
13	425	10,924			Pres.Rev. ($)	1,683	15.4	1,526	14.0									7,715	70.6
					Pro. Rev. ($)	1,770	16.2	2,020	18.5									7,134	65.3
				2,549	Av. Haul, Car	171	06.7	556	21.8									1,822	71.5
			2,559		Av. Haul, Ton	173	06.7	557	21.8									1,829	71.5
12	402	8,409			Pres.Rev. ($)	1,205	14.3									7,204	85.7		
					Pro. Rev. ($)	1,790	21.3									6,619	78.7		
				1,904	Av. Haul, Car	272	14.3									1,632	85.7		
			1,926		Av. Haul, Ton	282	14.6									1,644	85.4		
12	401	9,022			Pres.Rev. ($)	1,541	17.1					3,158	35.0	4,323	47.9				
					Pro. Rev. ($)	1,406	15.6					3,711	41.1	3,905	43.3				
				2,168	Av. Haul, Car	130	06.0					1,014	46.8	1,024	47.2				
			2,172		Av. Haul, Ton	145	06.7					1,013	46.6	1,014	46.7				
10	390	9,930			Pres.Rev. ($)	1,403	14.1	1,690	17.0	2,319	23.4			4,518	45.5				
					Pro. Rev. ($)	1,911	19.2	2,010	20.2	2,110	21.3			3,899	39.3				
				2,580	Av. Haul, Car	400	15.5	646	25.0	594	23.0			940	36.5				
			2,583		Av. Haul, Ton	397	15.4	661	25.6	593	23.0			932	36.0				
7	214	4,160			Pres.Rev. ($)	441	10.6					1,902	45.7	1,817	43.7				
					Pro. Rev. ($)	796	19.1					1,550	37.3	1,814	43.6				
				1,750	Av. Haul, Car	188	10.7					777	44.4	785	44.9				
			1,758		Av. Haul, Ton	176	10.0					787	44.8	795	45.2				

east of C.